

**President Assails Critics**  
**Bush Denounces Foes of Panama Policy as 'Stupid'**  
By David Hoffman  
Washington Post Service  
WASHINGTON — President George Bush on Friday denounced as "stupid" the criticism from Congress that he failed to use U.S. military force to back up his call for a coup against General Manuel Antonio Noriega of Panama.  
At a news conference, Mr. Bush said he had seen no facts since the failed coup that would lead him to change his view about the decision to keep U.S. soldiers on the sidelines.  
"I wouldn't mind using force if it could be done in a prudent manner," Mr. Bush said.  
"I'm not ruling out the use of force for all time," he added. "I am reiterating the fact that it was not proper to use force under the existing circumstances. And I feel more confident in that than I ever have."  
Mr. Bush said "some very crude people" make what he called a "stupid argument" that he should have deployed U.S. troops to aid the coup because he had encouraged the idea of a coup attempt by the National Defense Forces.  
The president said he was trying to "fine tune" crisis management procedures following reports that he failed to call his senior advisers together during the coup attempt and that he lacked key intelligence about what was happening in Panama.  
Other officials said Mr. Bush has won tentative agreement from the leaders of the Senate Select Committee on Intelligence for more leeway in intelligence gathering in Panama.  
Mr. Bush insisted there was not something "fatally wrong" in the decision-making process.  
"Each time, you've got to look at this situation at the time," he said. "You've got to look at each individual attempt to get rid of Noriega."  
The president said he would not see BUSH, Page 5

**U.S. Will Improve Contacts with Potential Panama Rebels**  
Page 3  
The entertainer John has been named as a potential ally of the U.S. in the Panama crisis, according to a report in the New York Times. The report says that John, who is a close friend of President Bush, is being considered as a potential ally of the U.S. in the Panama crisis. The report also says that John is being considered as a potential ally of the U.S. in the Panama crisis.

**Failure of UAL Employee Takeover Sets Off Slide**  
United Press International  
CHICAGO — The \$6.75 billion employee-owned takeover of UAL Corp., parent of United Airlines, collapsed Friday, forcing a halt in trading of UAL stock on the New York Stock Exchange and sending the market into a tailspin.  
But Airline Acquisition Corp., formed by the UAL employee-management group to carry out the \$300-a-share, \$6.75 billion buyout, said it would submit a revised bid.  
Airline Acquisitions, which included British Airways PLC, said Friday it had received word from its agent banks that they were unable to complete arrangements for \$7.2 billion in senior bank financing for the deal as presently structured. Consummation of the transaction was conditioned on receipt of financing.  
The New York Stock Exchange halted trading in UAL. The stock was trading at \$27.75, down \$5.50, on volume of 628,300 shares when trading was halted.  
The New York Stock Exchange also halted trading in AMR Corp., the parent of American Airlines. AMR was trading at \$98, off 75 cents, on volume of 1.8 million shares when trading was halted.  
In a statement released through George and Co., in New York, Airline Acquisitions said its agent banks believed the failure to obtain adequate bank financing commitments was "attributable to adverse changes in the market for this transaction as presently structured, but that the agent banks believe that syndication of senior financing for the acquisition would be possible on revised terms."

**Amid Signs of Thaw, East German Official Hints Honecker May Resign**  
By Robert J. McCartney  
Washington Post Service  
BERLIN — There were widespread signs Friday in East Germany of a relaxation of media censorship and of more open public debate, and a senior Culture Ministry official hinted publicly that the chief of state, Erich Honecker, may resign soon.  
The state prosecutor's office announced the release of persons detained during the recent demonstrations for democratic change, but Bishop Gottfried Forck of the Evangelical Church of Berlin said 150 persons either had not been released or had not been informed the church that they were free.  
Wolfgang Vogel, a prominent attorney and longtime confidant of Mr. Honecker, issued a public statement that was unusually critical of emigration and legal policies.  
He urged the release of people who were jailed for trying to emigrate to the West without permission, and of protesters who demonstrated peacefully during democracy rallies and marches from Oct. 2 through Oct. 9.  
[West Germany said Friday that East Germany has agreed to let 800 new refugees sheltered in Bonn's embassy in Warsaw go to the West, Reuters reported from Bonn.]  
In a clear departure from the relentlessly self-congratulatory tone of media coverage in the past, the official press agency ADN said "much still remains to be done" to improve economic conditions.  
Many newspapers contained items that were unusually critical of conditions in East Germany. They targeted the same areas — media, travel and economic policies — that the 21-member Politburo acknowledged on Wednesday, for the first time, have problems.  
Shortly after Mr. Vogel's statement was made public, ADN said the state prosecutor's office had said that "people detained because of disturbances of the popular festival on Oct. 7 and in connection with unlawful assemblies have been released after necessary investigations." The festival celebrated East Germany's 40th anniversary.  
ADN said that 11 persons remained in prison and would be tried on charges that included arson, looting, assault and incitement to violence. The agency did not say how many people were released.  
Friday evening, however, Bishop Forck said there seemed to be "a catch" in the announcement. Demonstrators who have already been convicted in speedy trials apparently were not being freed, he said.  
About 700 persons are estimated to have been detained in East Berlin alone during the demonstrations. Hundreds of others have been released in Dresden.  
The position of Mr. Honecker, 77, appeared increasingly shaky after the nation's most serious wave of popular unrest in 36 years and the exodus to West Germany of See GERMANS, Page 5

**Kiosk**  
**French Find General's Body**  
PERIGUEUX, France (AP) — The police on Friday found the body of Jean Favre, 72, a retired French Army general who was reported missing after he failed to return home six days before.  
The body of the former military commander of Paris was found under a bridge on the Dordogne River at the village of Izon, the police said. They speculated that he might have been thrown off the bridge, but no other details were available.  
**General News**  
Seoul students invaded the U.S. envoy's home. Page 2.  
**Business/Finance**  
Carla A. Ellis challenged Japanese officials to open markets further. Page 9.  
**Crossword** Page 6  
**Dow Close**  
2,560.24  
Down 190.58  
The Dollar  
\$1 1.872  
Pound 1.581  
Yen 141.95  
FF 6.333

# Dow Average Plummets 190 Points, 2d-Worst Fall in Market's History



Mr. Bush calling an end to the White House news conference.

Compiled by the Staff From Dispatches  
NEW YORK — U.S. stock prices plunged Friday, driving the Dow Jones industrial average more than 190 points lower in Wall Street's second-steepest slide in history. The market was battered by fears of higher inflation and word that a big airline buyout may have collapsed.  
Traders described the speed of the decline as frightening and a startling reminder of the market's worst panic on Black Monday, Oct. 19, 1987 — when the Dow plummeted 508.32 points.  
By the close, the widely watched average of 30 industrial stocks had plunged well below the 2,600-point level to close at 2,560.24, a fall of almost 7 percent. Minutes before the close, the Dow had been more than 200 points lower.  
Just four days ago, the average hit a record closing high of 2,791.41.  
"The decline here is horrendous," said Gene Jay Seagle, director of technical research at Gruntal & Co. "It appears as if the whole junk bond market has fallen apart."  
Brokers said the stock rout was triggered partly by news that a labor/management group failed to secure financing for the proposed \$6.75 billion takeover of UAL Corp., parent of United Airlines. That deal would be financed chiefly by junk bonds, which are high-yield, high-risk instruments.  
The specific news event was like a match, igniting uncertainties in financial markets about larger, global issues of economic-policy coordination.  
There was limited official reaction to the market panic. President George Bush declined an opportunity to comment, smiling and waving to reporters as he walked to his helicopter for a flight to the Camp David retreat but ignoring questions about Wall Street.  
An official of the Securities and Exchange Commission said the market watchdog agency was busy gathering data on how effectively markets handled the Dow's plunge. "We're in an information-gathering mode right now. It's probably premature to comment," said Stephen Luperello, an SEC branch chief for market regulation.  
The new SEC chairman, Richard Breiden, was unavailable for comment but was expected to issue a statement, according to the office of the agency's commissioner, Mary Shapiro.  
During his confirmation hearings, Mr. Breiden categorically ruled out closing the stock market. "I would not consider such a step," he said.  
The Federal Reserve Board declined to comment. "We have nothing to say," said a spokesman, Bob Moore. A spokesman for the U.S. Treasury Department could not be reached.  
Volume on the New York Stock Exchange swelled to 251.17 million shares, of which about 100 million were traded in the final hour. While this marked an active day and a sharp increase from 160.12 million shares traded Thursday, it came nowhere near the 338 million shares changing hands on the Friday before Black Monday.  
Declining issues outnumbered rises by a ratio of more than 11-1 on the Big Board.  
Many traders pointed to the troubles in the junk-bond market, where a heavy supply of new issues coupled with investor skittishness has severely eroded investors' appetite for the high-risk issues.  
The UAL news, combined with recent worries about junk bonds, "seemed to trigger a selling panic," said Hildegard Zagorski, an analyst at Prudential-Bache Securities Inc. She said that program selling accelerated the drop.  
"It's a total emotional and psychological chaos," said Eugene Peroni, an analyst with Janney Montgomery Scott in Philadelphia. "People are dumping everything. A great deal of money is being lost."  
But Mr. Peroni noted that such a severe drop on a Friday is cause for particular concern. "It's bad because it means that there's going to be two days for fear to fester" before investors have a chance to trade again.  
Following the 1987 collapse, regulators imposed what they called "circuit breakers" on the Dow Jones average that would automatically limit trading if the index rose or fell 50 points. This restriction was later expanded to 250 points as part of a coordinated program with other stock and futures markets.  
But confusion over the rule was rampant. "Nobody seems to be clear on where the circuit-breaker is," Mr. Peroni said. "If there is one, it certainly is failing."  
On the Chicago Mercantile Exchange, stock-index futures trading was halted twice as tumbling stock prices triggered that market's circuit breakers. It was the second time the emergency brakes had been triggered since they were installed.  
The first 30-minute halt occurred at about 2 P.M., after the Merc's contract for December delivery of stocks tracked by the Standard & Poor's 500 index had fallen 12 points from Thursday's close to 346.85. A 12-point drop in that index corresponds to a 100-point drop in the Dow. The second halt extended through the market's 3:15 P.M. closing time.  
Institutional investors use stock-index futures to hedge against losses in the stock market, sometimes employing computer-driven program trading strategies that can cause wild swings in prices on both markets.  
Some stock traders said that news from the Labor Department See MARKET, Page 8

## Signs of Discord in G-7 Made Wall Street Jittery

By Carl Gervitz  
International Herald Tribune  
The fuel for the economic jitters that surfaced in the U.S. stock market Friday was spilled by Alan Greenspan, chairman of the U.S. Federal Reserve System. In a speech in Moscow on Tuesday, he appeared to take issue with the commitment of the Group of Seven industrial countries to nudging down the dollar.  
"Attempts to maintain unrealistic exchange rates may lead to destabilizing international capital flows, and ultimately have to be abandoned," Mr. Greenspan said.  
Although U.S. officials said the remarks were taken out of context, financial markets read the comment as a sign of discord about policy direction within the Group of Seven. In reaction on Wednesday, the Bank of Japan was obliged to raise its discount rate in the middle of the day instead of, as normal, at the close of trading. But that move failed to curb the dollar, which continued to advance.  
"No one knows what's going on" in terms of policy coordination, one European analyst said.  
As a result, "there is a tendency to take profits," he added.  
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## Thatcher Stirs Fans At Tory Conference

By Craig R. Whitney  
New York Times Service  
BLACKPOOL, England — Though her Conservative Party's popularity is in a slump and her government's economic policies are in a mess, Prime Minister Margaret Thatcher showed no self-doubt and brooked none from her followers at a party conference that ended Friday.  
The Conservatives, 5 to 10 percentage points behind the opposition Labor Party in all the opinion polls since spring, rallied around Mrs. Thatcher and gave her a 10-minute standing ovation Friday on her 64th birthday.  
She conceded that the British rate of inflation was too high, at 7.6 percent, and that the government's main weapon to get it down — high interest rates, jacked up last week to 15 percent — were a "worry" for families with mortgages, farmers and small businesses, but she promised that the rates would work.  
"There must be a better way," Mrs. Thatcher said, a delegate who runs a business in Hampshire, pleaded with the Chancellor of the Exchequer, Nigel Lawson, on Thursday. "Our loyal staff are having problems paying their increased mortgages. They are pleading for help."  
Mr. Lawson insisted that with the pound being battered on the international currency markets, he had no alternative but to raise interest rates.  
But there was an alternative to further increases, tentatively suggested by Sir Leon Brittan, one of Mrs. Thatcher's former cabinet ministers and a member of the European Community's executive commission, at a party gathering Thursday night.  
After the pound finds its natural level on European currency markets, he said, Britain should join the European monetary system, a step Mrs. Thatcher stoutly resists as a surrender of British monetary sovereignty.  
"I do not think this is the week to do it," Sir Leon conceded, as the See TORIES, Page 5

## Friday the 13th 'Virus': No Computer Pandemic

The Associated Press  
Computer experts received scattered reports of computer "viruses" that had struck unsuspecting users on Friday the 13th, but they said that fears of widespread damage had been overblown.  
An institute for the blind in London was among the victims, although it apparently was infected with a previously known virus, not the so-called Columbus Day, or Datacrime, virus, which was seen for the first time when it was activated by computers' internal clocks at 12:01 A.M. Friday.  
Ross M. Greenberg, a security specialist in New York and a creator of "anti-virus" software, said Friday that he had received seven reports of virus strikes since midnight but that only one had been the Columbus Day virus.  
He said 12 personal computers at Columbia University in New York City had been affected but that the university had made backup files and was merely inconvenienced.  
The other six virus reports he received were of the so-called PLO virus, an older one designed to erase programs every Friday the 13th. Mr. Greenberg had said earlier that the PLO virus was far more widespread and likely to cause more trouble than the new Datacrime virus.  
In Britain, the Royal National Institute for the Blind reported that it had been struck by a virus.  
"We found that most of our program files are gone," said Cori Barrett of the institute in London. "Every time we try to look at a new program file, it vanishes in front of our eyes."  
She added: "It's horrendous. Months and months of work has been wiped out here."  
Mr. Greenberg said the virus was almost certainly the PLO virus.  
The Datacrime virus does not erase files but is programmed to scramble indexing information in IBM or IBM-compatible personal computers. It would be the equivalent of removing a library's card catalogue.  
Computer viruses, created by anonymous programmers, are pieces of software that make copies of themselves and spread from one machine to another through infected disks, office networks or phone links such as bulletin boards.  
Once activated, a rogue program copies itself like a breeding germ, eating away processing power and storage space or destroying information.

## European and U.S. Scientists, Almost in a Dead Heat, Establish 3 Types of Matter

By Malcolm W. Browne  
New York Times Service  
Using two giant particle accelerators, one in Europe and the other in California, rival teams of scientists have established beyond reasonable doubt that the universe contains no more than three fundamental types of matter.  
The discovery, reported by the Stanford Linear Accelerator Center in California and by the European Laboratory for Particle Physics, is a scientific landmark with far-reaching implications for physics, astronomy and cosmology.  
Settling the question of how many types of matter the universe might incorporate has long been a quest of physicists. But the equipment needed to perform the necessary experiments was beyond the reach of technology until recently.  
There has been growing evidence over the last few months that there are three types of matter, but with Thursday's announcement this assumption became a virtual certainty.  
The nearly simultaneous disclosures by the two laboratories reflect the intensity of the competition between them, in which Nobel prizes might be at stake.  
Scientists at Stanford held a news conference Thursday to report their results, and scientists in Europe promptly accused the Stanford group of trying to upstage their own results, which were scheduled to be announced Friday.  
Scientists on both sides of the Atlantic agreed, however, that the discovery had significantly advanced understanding of how the universe is assembled from its basic building blocks.  
Astrophysicists more and more depend on results of the kind disclosed on Thursday to deepen their understanding of the nuclear furnaces that fuel stars, to fathom the forces that set off the formation of galaxies and to estimate whether the universe has enough matter that gravity will some day slow, halt or even reverse the current expansion.  
In the latter case the universe might one day collapse to itself.  
By eliminating a gnawing uncertainty that had hampered a widely accepted theory of matter known as the "Standard Model," which is generally accepted as the best explanation of the nature of matter yet devised, scientists can now apply that theory with much greater confidence.  
Estimates of the amount of helium generated by the "Big Bang" that created the universe and observations of the amount of helium now present in the universe correlate best with the assumption that there are only three families of fundamental particles, not more.  
The new accelerator results strongly reinforce theories about how the universe developed after its violent birth.  
It has long been known that matter consists of more than 100 different kinds of particles, but in the past two decades, physicists came to realize that this bewildering array is made up of combinations of a handful of "fundamental" particles.  
Physicists have been able to group these fundamental particles in three distinct "families."  
The first family, from which all familiar matter is made, consists of "up" and "down" quarks, the constituents of the protons and neutrons in atomic nuclei, the electron, and a particle called the electron neutrino.  
Neutrinos have no electric charge and no measured mass as yet, and, as such, they are very difficult to study. They nevertheless play crucial roles in the structure of matter and the universe as a whole.  
Two other families of fundamental particles have been discovered in special kinds of matter, those created by high-energy particle accelerators or carried by cosmic rays.  
The second family includes "charmed" and "strange" quarks, the muon and the muon neutrino.  
The third known family consists of the "top" and "bottom" quarks, the first of which has yet to be detected; the tau particle, and the tau neutrino.  
This listing of fundamental particles is the central part of the Standard Model theory, but it leaves many questions unanswered.  
For one thing, nothing in the theory limits the number of possible particle families to three or to any other number.  
To find out how many families could actually exist, theorists had to invoke help from experimenters.  
The response was to build huge, costly devices capable of hurling particles of matter and antimatter together with sufficient energy to create superparticles called Z bosons, which spontaneously disintegrate, spawning showers of debris containing all the lesser fundamental particles.  
The machine in Europe, a conventional design called the Large Electron-Positron Collider, was completed in July at a cost of about \$1 billion with the support of 14 West European governments.  
It is housed in a circular tunnel 27 kilometers in circumference.  
See MATTER, Page 5







# Bush Holds Firm on Abortion

But He Won't Say if He'll Veto Funding by Medicaid

Compiled by Our Staff From Dispatches  
WASHINGTON — President George Bush said Friday that he remained opposed to any federal funding for abortions for poor women who are victims of rape and incest, but added he hoped that a compromise could be found.

On another controversial subject, Mr. Bush told reporters that he would permit legislation banning desecration of the U.S. flag to become law without his signature.

He said that the legislation, passed Thursday by the House of Representatives, was not the "ultimate answer," and repeated his preference for a constitutional amendment on the issue.

Mr. Bush declined to say whether he would veto legislation that would permit the Medicaid program — the medical program for the poor — to pay for abortions for rape and incest victims.

The provision, a sharp reversal of eight years of abortion policy on Capitol Hill, has been approved by both the House and Senate as part of the \$156.7 billion bill that provides money for departments of Labor, Education and Health and Human Services.

"My position is well known and well stated," Mr. Bush said. He has suggested that he might veto the funding bill if he found it "morally inconsistent" that rich women who could afford such

abortions had access to them but poor women did not, Mr. Bush said. "To some there might be a contradiction there. To me there is not."

Abortion opponents have been reported as willing to seek a compromise that would more carefully define reporting requirements under the rape and incest provision.

At present, it says such incidents must be "reported promptly to a law enforcement agency or public health service."

While indicating that the negotiations on the bill in the House-Senate conference committee may allow him to avoid a veto, Mr. Bush also stressed that he was "not willing" to compromise.

Meanwhile, Mr. Bush signaled a desire for flexibility toward Democratic calls for expanded individual retirement accounts, or IRAs, and legislation to limit Medicaid-financed abortions only to those cases where the life of the mother was threatened.

In a reversal earlier this week that caught abortion opponents off guard and that may signal a new landscape on the abortion debate, the House voted 216 to 206 to include the rape and incest provision.

The action has put Mr. Bush in a tough political spot.

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# U.S. Nearing A Basic Shift On the Cost Of Medicine

By Martin Tolchin

WASHINGTON — A measure that could lead to fundamental changes in the practice and costs of American medicine is heading for the Senate floor and final congressional approval in the next few days.

The proposal, approved last week by the House of Representatives and the Senate Finance Committee, applies only to what the government pays doctors to treat 33 million elderly people under Medicare. But health experts predict that it will quickly be adopted by private health insurers.

The administration supports the plan, and there is virtually no opposition to it in the Senate.

Designed to redress recognized inequities in fees, the plan would mean that doctors involved in procedures like surgery and diagnosis would in general be paid less than they now receive, and those engaged in evaluation, like family practitioners, would be paid more.

But as a group, surgeons would still earn more than family practitioners.

The measure would replace the current Medicare practice of paying doctors on the basis of "customary, prevailing and reasonable fees" with a standard based on the overall cost of the services rendered, including the costs of a doctor's training and equipment and the relative value of the technical skills needed.

Some health experts said the plan could ultimately change the practice of medicine by changing the financial incentives connected with certain procedures.

For instance, they believe that the proposed change in fees, if adopted, would reduce the amount of invasive and diagnostic procedures while increasing the cost of office consultation and preventive measures practiced by family doctors and internists.

It could also reduce the incentive to perform unnecessary tests and procedures and, by making compensation more equitable, it could encourage more medical school graduates to enter family practice and internal medicine, proponents said.

Historically, private insurers have followed the lead of Medicare in determining payments for certain procedures and setting standards for the length of hospital stays for certain illnesses.

Experts said private insurers were expected to follow the new payment schedule, effectively setting nationwide standards for the costs of medical procedures.

Senator David F. Durenberger, Republican of Minnesota, who is the sponsor of the new payment system, predicted, "This will very quickly be adopted across the board by the private sector."

"It's a rationalization of the system," the senator said. "It says that this country has let specialization and technology get out of hand."

The plan is endorsed by the American Medical Association. But it has been opposed by the American College of Surgeons, whose members would suffer the greatest losses in income.

Dr. W. Gerald Austin, an official of the surgeons' group, said in testimony before Congress in June: "This approach simply does not take into account the greater diagnostic or therapeutic value of specific services for patients. It ignores the quality of the services provided, and it fails to consider other factors that play a major role in determining the value of most services purchased in our society."

The Physician Payment Review Commission, an independent agency that monitors Medicare payments, has estimated that fees of thoracic surgeons and radiologists would be reduced by more than 20 percent and that fees of family practitioners would be increased nearly 40 percent. The commission recommended adoption of the spending plan.



LATIN AMERICAN TALKS — President Carlos Menem of Argentina conferring with Presidents Alan García of Peru and José Sarney of Brazil at the close of a meeting in Lima, Peru, of seven Latin American countries. The two-day meeting centered on human rights issues in Panama, a regional policy to fight drug trafficking and a plan to form a Latin American common market by 1992.

# U.S. to Press Ties With Panama Rebels

By Andrew Rosenthal

WASHINGTON — The White House plans to issue specific guidelines to U.S. military, intelligence and diplomatic officials in Panama so they can provide clearer and more rapid communication with potential coup plotters, a senior official said.

The White House decision appears to be a reaffirmation of President George Bush's invitation to the Panamanian Army to overthrow General Manuel Antonio Noriega and of the admission by U.S. officials last week that their response to the Oct. 3 coup attempt was poorly coordinated.

After the failed coup attempt, the White House chief of staff, John H. Sununu, ordered a review of crisis management.

The senior official said that the goal of the new guidelines was to make U.S. officials on the scene less "inhibited" about questioning plotters and giving them guidance on U.S. objectives.

Among other things, the administration officials have said that they feel restrained by the Senate Intelligence Committee from even talking to coup plotters who might assassinate General Noriega.

The senior official said that Mr. Bush did not anticipate amending a presidential order, barring government employees or agents from involvement in assassinations.

• The administration had sel-

dom followed up on approaches from other self-described coup plotters since such contacts were not unusual.

The details of the new guidelines are not clear, and it is not known when they will go into effect. It is also not clear how the administration plans to encourage new Panamanian coups without running afoul of the prohibition on assassinations.

Senator William S. Cohen, Republican of Maine, who is vice chairman of the Intelligence Committee, said Thursday that the assassination prohibition raised the question of whether "American personnel are confined to a purely passive role of gathering intelligence."

Members of Congress have criticized the administration for not questioning the Panamanian plotters closely enough in initial contacts to learn that they did not intend to turn General Noriega over to the United States.

The lawmakers and the administration have said that some communications from Panama were garbled, leading to confusion in Washington.

The administration wanted to do away with "generic responses" and instead assess each one individually, a top administration official said.

The official said that the evaluation would not necessarily be done

in Washington but at the U.S. Embassy in Panama City, at the local CIA station or at the Southern Military Command. He said that the purpose would be to give the U.S. officials and the plotters more rapid and authoritative responses to initial contacts.

■ Panama Plans Big Purge

A Panamanian official says that the government will fire thousands of employees in a purge of dissenters following the failed coup attempt. The Associated Press reported from Panama City.

The vice president of the city council, José Reyes Encier, said Thursday that the firings over the next few weeks would get rid of as many as 40,000 disloyal employees, who rejoiced while a rebel unit held General Noriega hostage during the coup attempt.

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# AMERICAN TOPICS

## The Party Is Ending For Party-Line Callers

The shared telephone, better known as the party line, is disappearing. Reflecting a national trend, the Chesapeake & Potomac Telephone Co. is ending the party-line service that prevailed in rural West Virginia for most of this century. By the end of the year all 635,000 telephone subscribers in the state will be on private lines.

A company spokesman said that the party line service, involving up to 16 subscribers, was basically used as an intercom. "One person would call somebody else on the line and everybody would pick up," the spokesman said, adding, "The housewives would get on there and talk for two hours or maybe three hours. It was a different day and age. Those days are gone."

Nowadays, thousands of calls can be routed simultaneously on fiber-optic cables. The highest in the United States, 2.9 million people were on party lines at the end of 1987, the latest year for which figures were available.

Even though private-line service will add a little more than \$4 to the roughly \$17 monthly phone bill for the average family formerly on a party line, customers like Sara Sowers of Talcott, West Virginia, are not complaining.

"It's better this way," she said. "You can go to the phone and just pick it up. Before, you had to pick it up to see if anyone was on it. Then you would pick it up and it's later and they'd still be on there. You just had to keep picking it up."

## Short Takes

A House-Senate conference committee has decided not to change the name of Mount McKinley, the highest peak in North America at 29,320 feet (6,194 meters), to Denali, meaning "The Great One," the Alaskan Indian name for the mountain. But the conferees refused to recommend a permanent ban, and Alaskan proposals to change the name are expected to be revived next year.

Environmentalists are backing a law now before Congress that would require that labor-canned tuna fish display a warn-



POST-OP STYLE — Former President Ronald Reagan with his new crew cut at a meeting in Los Angeles. Mr. Reagan's head was shaved recently before he underwent brain surgery.

ing that the fish might have been caught by methods "known to kill dolphins." It would apply to all tuna caught by nets that also snag dolphins. The tuna fishing and canning industry opposes the idea. A spokesman for the National Marine Fisheries Service said that only 10 percent of U.S. tuna catches involve dolphins, but he said that the proportion for foreign catches is as high as 70 percent.

An 85-foot, 120-ton replica of the Half Moon, the ship on which the Englishman Henry Hudson explored the Hudson River on behalf of the Dutch East India Co. in 1609, is making its maiden voyage this month from Albany, New York, down the Hudson River to New York City and then on to Washington, where it will go on exhibit.

Arthur Higbee

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# U.S. Will Accept The Blind for Diplomatic Posts

New York Times Service

WASHINGTON — In a policy reversal, the State Department has announced that blind people may serve as Foreign Service officers.

The decision was disclosed at a joint hearing Thursday before the House subcommittee on the civil service and international operations, by Ivan Selin, undersecretary of state for management, who said that in the future the department will accept qualified blind applicants.

Last November, a departmental task force ruled that blind candidates could not be appointed to diplomatic posts because they would be unable to deal with original documents "effectively and independently" without Braille translations or the services of readers.

The ruling was a response to an application by Abraham Rabbay, a blind New Yorker who had graduated from Oxford and the University of Chicago and who had passed the State Department's written entrance examination three times and the oral exam twice, only to be rejected.

State Department officials said that they would work on a case-by-case basis to accommodate the needs of disabled, including blind, Foreign Service officers.

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# Herald Tribune

Published With The New York Times and The Washington Post

## South Asia's Problem

To keep a lid on Pakistan's nuclear program, the U.S. Congress set a condition for continued economic and military aid: The president would have to certify annually that Pakistan has no bomb. Perhaps this requirement has contributed to keeping the Pakistani nuclear program within certain bounds of technology and discretion. But it has also made the United States a guarantor of sorts of the Pakistani program.

By consulting closely with Pakistan in order to ensure that the upper limits of its nuclear progress do not breach American nuclear nonproliferation law, Washington in effect condones efforts that come in under that line. The Pakistanis fit the non-nuclear aid that the United States provides to the contours of the nuclear program that it ostensibly disapproves. This is the price of trying to hobble the nuclear race on the South Asian subcontinent.

The limitations of the process were in painful view the other day when President George Bush made the annual no-bomb certification. He had concluded, he said, that "Pakistan does not now possess a nuclear explosive device." But he said his determination was not directed to the broader — obviously germane — questions of whether Pakistan is working on a bomb and whether it has the "various relevant capacities," and he noted that Pakistan continues its "unsafe"

guarded" nuclear program — beyond international inspection. Many experts in and out of the American government suspect that, although the Pakistanis may not literally have a bomb in hand today, the materials and parts are sitting on a handy shelf available for quick assembly and use.

American nonproliferation law has had to bear an impossible burden. Pakistan did not set out on the nuclear road casually. It meant to match its larger and more powerful neighbor, India, with which it has fought a series of wars and which announced its own achievement of a nuclear bomb capacity with the explosion of a "peaceful nuclear device" in 1974, which was meant in the first instance to offset China's bomb. The subsequent American decision to give priority to the Afghan war allowed Pakistan a free decade to work on its nuclear program without serious fear of American sanction.

India, which had been able to unbind itself relatively early from American aid, never came under similar pressure.

— THE WASHINGTON POST.

## Pretoria Earns a Pause

President F.W. de Klerk took two strides during the past week in pursuit of his "mandate for change." By releasing eight prominent political prisoners and holding "talks about talks" with three black leaders of the anti-apartheid movement, he seemed to signal that he was serious about negotiating an end to whites-only rule and finding a formula for enfranchising blacks. Several giant steps remain to be taken, however, before Mr. de Klerk even reaches the starting line for negotiations on power sharing.

The United States and other countries that have helped moved things this far with limited economic sanctions can best help by holding off further action at this time.

The release of Walter Sisulu, 77, and seven others leaves Nelson Mandela the only senior leader of the African National Congress still imprisoned. Mr. Mandela, who was convicted and sentenced to life imprisonment at the same 1964 treason trial that convicted Mr. Sisulu and four of the others, is said to have been pleased when informed of the plan for releasing his companions.

— THE NEW YORK TIMES.

## Foreigners Are a Must

Several airlines are on up for sale in the United States, but one large category of investors — foreigners — is largely excluded from the bidding. A law prohibits control of an American airline by people from other countries. It is a foolish law, a relic of another time, and ought to be abolished. But it is in effect, and it is being enforced, as the negotiations over the takeover of Northwest Airlines currently show. The secretary of transportation, Samuel H. Skinner, emphasizes that he is aware of the benefits of foreign investment and welcomes it. But it is also true that in this case he has forced the foreign investor, KLM Royal Dutch Airlines, to a much smaller share of the new company's stock than a literal reading of the statute might suggest was necessary.

In Europe Mr. Skinner's decision has been read as a deliberate signal from the Bush administration of increasing hostility to foreign investment. That is incorrect. But it certainly reflects a reflex that is almost as damaging: the application of old rules and old habits to a time when American requirements have sharply changed.

The United States urgently needs foreign loans and investments. It is living in a style far beyond its income, running up unpaid bills to the rest of the world at a rate of \$120 billion a year. If that flow of foreign money were ever to stop, America would be

pitched into a dire recession. Not everybody in the Bush administration or Congress seems to understand the absolute necessity of continuing to pull in that enormous flow of foreign capital to finance the trade deficit. Even those who do understand it, like Transportation Secretary Skinner, are in the grip of laws and attitudes set up to discourage foreign ownership.

In the case of the airlines, the present law is based mainly on a claim of national security and the thought that in a war the armed forces might fly them away to — where? Holland? And yet, nifty or not, the law is popular in Congress, which shows no sign of dumping it. It illustrates the dangerous confusion and ambivalence in the United States regarding investment from abroad.

Americans welcome it, because it permits them as a society to live beyond their means. They simultaneously fear it and fight it, because it means a rising degree of foreign ownership and economic control. While the obvious solution is to eliminate the trade deficit that requires this financing from abroad, that is going to take a very long time at the present microscopic rate of progress. Meanwhile the United States is going to need every nickel of investment that it can entice from abroad.

— THE WASHINGTON POST.

## Other Comment

### Latin American Initiatives

The idea behind creating the Group of Eight major democracies of Latin America may have been to provide a Latin counterweight to U.S. influence in the Western Hemisphere. Its summit at Ica, Peru, however, has occasioned two initiatives that must be welcome to Washington, which already knows that it needs help.

The first was the invitation, on the eve of the summit, by the presidents of group members Colombia and Peru and non-member Bolivia to President George Bush for a summit meeting on the cocaine trade. They govern the countries that dominate world production of coca. He leads the country that dominates consumption of cocaine. The trade is corrupting and destructive at both ends. Mr. Bush showed his

appreciation by immediate acceptance of the invitation, even though he knows that the Andean leaders will gang up on him with arguments to provide economic aid to substitute for the valuable crop.

The second initiative was the outspoken denunciation of Panama's military government by the presidents of Venezuela and Peru. The group, now effectively of seven, had suspended Panama last year. It is hard to see what Panama was ever doing in such a club. The other members are struggling to remain democracies. Panama to remain a corrupt military dictatorship. Now Panama can get back in only if it restores democracy first. The best interests of Latin America and of North America often coincide. It can be easier to see that when they meet separately than when they convene together.

— The Baltimore Sun.

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## Soviet Empire: A Paradoxical Collapse

By Charles Krauthammer

WASHINGTON — The Soviet empire is collapsing in the most paradoxical way: The inner empire is rapidly falling apart, while the external empire is managing to hold together. That is not the way things are supposed to happen. That certainly is not the way it had been predicted, say, a year ago when it seemed that the Soviets were being pushed out of their newer colonies of Afghanistan, Cambodia, Angola and Ethiopia.

The collapse of the East European inner empire proceeds at an astonishing pace. Poland actively decommunizes under Solidarity. Hungarian Communists melt into what they say is a traditional, albeit left-wing, social democratic party.

East Germany, however, presents the Soviets with the most insoluble imperial dilemma. Hungary or Poland can exist without communism. East Germany cannot. It is not a country but a creation. It exists solely so that one group of Germans may experience the joys of a workers' state. Take that away and the state ceases to have a reason for existence. Why is reform in East Germany almost a contradiction of terms. Perestroika will not solve East Germany's problems. It will make them terminal.

Mikhail Gorbachev has to worry even more about the centrifugal forces at work in Latvia, Lithuania, Estonia, Azerbaijan, Armenia, Georgia, the Ukraine and the Soviet Muslim republics, which makes for the oddity: While the Soviet inner empire, the crown jewel of its postwar conquests, spins out of control, the external Third World empire remains intact.

Afghanistan. The puppet government of Najib (like Cher and Charlemagne, he goes by one name) has survived far longer than anyone thought possible when Soviet soldiers pulled out in February.

Cambodia. As Vietnam withdraws, its puppet (Hun Sen) is gathering grudging support, even in the West, as perhaps the only realistic alternative to Pol Pot and the Khmer Rouge.

Angola. Jonas Savimbi, trying to topple the Soviet client regime, is on the defensive and having increasing difficulty getting supplies.

Nicaragua. The contra gets ready to test Miami's housing market. The Sandinista regime is as secure as at any time in its 10-year history.

Ethiopia may be the exception. The regime of Mengistu Haile Mariam is retreating in the face of advances by Tigrean and Eritrean secessionists. But even this would not be quite the loss it seems, since the secessionists are led by Communists.

What is going on?

It is not an accident, comrades, that Mr. Gorbachev is holding on to these colonies. Contrary to expectations, he did not write them off when he began withdrawing Soviet (and proxy Cuban and Vietnamese) troops and calling for negotiation rather than confrontation. He is instead trying to do what Richard Nixon tried to do in South Vietnam: sustain, with huge amounts of aid, a client regime after the metropolitan support troops have gone home. The U.S. Congress cut short that experiment in proxy power in 1975. The Soviet parliament is unlikely to follow suit.

The size of Mr. Gorbachev's continued investment in the colonies is breathtaking. Afghanistan is getting \$250 million a month in military supplies from a Soviet economy that is self-advertised as bankrupt. Cambodian aid has apparently doubled in the last year, to about \$500 million a year. Aid

to Angola holds steady at a cool \$1 billion a year. And the Sandinistas are getting their usual \$500 million, albeit, now in the age of perestroika, laundered through Eastern Europe and Cuba.

Which raises the question: Why, at a time when soap, salt and sugar are rationed even in Moscow, is Mr. Gorbachev investing at least \$5 billion a year to maintain Leonid Brezhnev's empire?

Because empires, even those that are cobbled together absentmindedly, do not voluntarily dissolve themselves. As they shed their ideology, the Soviets are reverting to the natural condition of a great power: trying to maintain power where they have it and extend it where they don't. To assume otherwise is to assume that they have not only overthrown Communist ideology but reversed human nature. Great powers do not voluntarily atrophy power.

About Eastern Europe, Mr. Gorbachev can do little. The growth of civil society has reached the point where its challenge to the Soviet-imposed state cannot be resisted. He has few tools to arrest the dissolution of the inner empire. Accordingly, his strategy is to finesse the crisis by trying to Finlandize states that he can no longer control.

In the external empire, on the other hand, the anti-colonial battle is more primitive: Tanks and guns can still decide the issue. And tanks and guns are a Soviet specialty. Mr. Gorbachev will use them to try to hang on to what he can.

Mr. Gorbachev is not a decolonizer. He is a realist. He will decolonize only where he must. The external empire can still be held together militarily. The internal empire cannot. Where he still retains the means to resist, he shows every willingness of doing so.

Washington Post Writers Group.

## The Party Remains

By Rezzo Nyers

Mr. Nyers, a veteran Hungarian Communist, is president of the Socialist Party. The following is adapted from an interview conducted by Paul Lendvai for the fall issue of the Paris journal *Politique Internationale*.

CERTAINLY, in Eastern Europe one cannot conduct policy that is openly anti-Soviet. The point is to define precisely what "anti-Soviet" is held to mean. Under Stalin, Brezhnev or even Chernenko, any show of national independence was called "anti-Soviet." Today the term is reserved for statements about internal affairs of the Soviet Union and support for those inside or outside who jeopardize its interests.

Under the leadership of Mikhail Gorbachev, the Soviet Union has ceased to be an ideological power; it no longer regards itself as the avant-garde of world revolution.

What can be envisaged is the emergence of a Hungary with independent external and internal policies and friendly relations with both the Soviet Union and the West. It could be a link, a bridge between East and West, in a context of convergence between the world powers. We will not restore capitalism. Rather, we want to establish a capitalist market economy that accommodates both collective ownership and strictly private ownership.

It is true that the present leaders do not enjoy the public confidence needed to manage the crisis effectively. That is why we have to form an alliance that is as broad as possible. For Hungary this is the basic question: Will it succeed in setting up an effective coalition government, or perhaps a one-party government opposite a loyal opposition capable of facing the economic situation?

If we clarify the past, if we inform the electorate of the real nature of the party, then the Socialist Party will surely remain a prestigious party. It is unlikely to win an absolute majority. Perhaps it will not even be the winning party. But in any case it will be one of the biggest.

I believe that it will need to stay in government so that the democratization process — which the party itself launched — can succeed.

International Herald Tribune.



## Reform in the East Bloc Is Cosmetic

By Enrico Jaecchia

ROME — Great events are unfolding in the East bloc and the Soviets must try to keep them under control.

It is often said that Moscow is mainly interested in military security and in seeing that there are no defections from the Warsaw Pact; thus the Kremlin will not interfere with its allies' political reforms. In reality, the Communist leaders in Moscow know that military security requires a measure of political loyalty from those who will hold power in Eastern Europe in the future.

And so it is not only in Western democracies that Communist parties are rethinking their doctrine. The goal of radical changes such as those in Hungary and Poland is clear: Eastern Europe's Communists are scrambling to keep the power they have held for 40 years.

If they move quickly, they may get surprisingly good results. Except in Poland, where Solidarity represents a considerable political force, the East

European countries lack strong alternative parties. In Hungary, which has moved farthest down the road of reform, the small parties are organized and short on political experience — a sad but inevitable result of 40 years of authoritarian rule.

The strategy of reform being followed by Communist leaders in the East bloc resembles what West European Communists, in particular the Italians, are doing. Changes are cosmetic. The people who for decades have enjoyed the privileges of power are attempting survival by face-lift.

In Hungary, for instance, Communist cells in the workplace and an armed militia of about 60,000 will be kept in place, and that means real power of political control.

It matters little that the political platform resembles that of the opposition parties. "We share the same goals and we must pursue them together," a Hungarian Communist told me the other day. He added that the new parties lacked leaders with experience in government, whereas Communist reformers possessed that experience and wanted to put it at the service of the nation.

The Soviet Party leadership meanwhile plays a sophisticated two-track game. It refrains from openly attacking orthodox Communist parties, while quietly encouraging the reformers. The Kremlin thus preserves a central role.

A conference of senior Communist officials from the Warsaw Pact countries, Cuba, Vietnam, Laos and North Korea was held at Varna, Bulgaria, from Sept. 26 to 28. The Hungarians rejected a political document in which the orthodox parties condemned reforms. Back in Budapest afterward, a Hungarian said that even the Bulgarians had supported Hungary against the "fundamentalists." And the Soviets? No problem, he said. Mikhail Gorbachev's representative had "fully understood" the Hungarian position.

The fundamentalists could go home happy from Varna, having enlisted a majority for their stand.

And the Communist reformers, claiming discreet Soviet support, will be telling inexperienced voters that they alone can defend both national interests and democratic values.

International Herald Tribune.

## Washington's Post-Panama Ruckus Is Damaging

By Jim Hoagland

PARIS — As the rambling of the debate over the failed coup in Panama dies down along the Potomac, its tremors still reverberate in Europe. America's allies are performing a postmortem on Washington's postmortem. They will use the corpse of the coup attempt and Washington's reactions to learn about the nature of American power in the world under the Bush administration.

The first thing they will note is that Panama has brought finger pointing, blame shifting and flank covering back into style in Washington. Seemingly serious people debate who lost Noriega at the top of their lungs, all the while settling old scores or working to advance their careers by damaging those of rivals.

Europeans do not know whether to laugh or to cry when their favorite superpower is periodically seized by one of these policy postmortems.

Should they marvel at Washington's ability to debate policy failures in brutal detail rather than sweep them under the rug?

Or should they shudder at the superficiality and inconsistency of American attention to the art of governance that these exercises inevitably bring to light?

Half a hemisphere away from the scene of the failure, Washington's reactions to Panama epitomize the coup attempt against General Manuel Antonio Noriega in importance. Panama matters little in Europe; America's ability to define and pursue its foreign policy goals in a clear and consistent way is all-important.

In that light, the tangled and contradictory way in which the administration has explained its intentions in Panama has been as damaging as anything Washington did and did not do during the coup attempt.

Europeans have absorbed the first wave of analysis and commentary in

the American media that has portrayed President George Bush as both indecisive and ineffectual in soliciting a coup in public and then

America's ability to define and pursue its foreign policy goals in a clear and consistent way is all-important.

backing away from it when it happened. These accounts have Mr. Bush playing the role of the boy who blithely chased a snake and had the misfortune to catch it.

A strong defense by the White House could have prevented this impression from taking root here. Unfortunately for Mr. Bush, the differing White House versions of his actions do nothing to confirm the impression.

An early White House attempt to lay the high ground by denying any U.S. involvement was abandoned when complaints erupted that Mr. Bush was not being tough enough. The subsequent recent versions all had a high white level to them, blaming the plotters and Congress for Mr. Bush's inability to use this opportunity to wrinkle General Noriega out of Panama.

That opportunity seems to have been limited in any event. The precautions the administration took and the limited role it assigned to covert action and to the U.S. military were prudent measures, given the circumstances. But the administration itself has undermined the credit it should receive by shifting stories and trying to have it both ways.

Congressional critics in both parties have also given an artificial display of political kabuki through this post-mortem. They staged it as a highly stylized drama, in which they played different roles as the scenes changed. They argued against covert action in one setting, only to return later to demand that the black arts of the CIA be unleashed.

A case of wanting to have it both ways, of fluttering with the doves one day and soaring with the hawks the next? Some honorable members may have been so inclined. But more generally, Congress accurately reflects the queasiness of the American electorate when it comes to covert action. Covert action is fine, as long as it works quickly and quietly. When it doesn't it is a bad idea, and everybody remembers that it was somebody else's idea.

An American effort to take General Noriega out would be neither quick nor quiet in the view of the Joint Chiefs of Staff. This has now been confirmed in a remarkable comment.

U.S. Secretary of Defense Richard Cheney, assistant secretary of state for international affairs and a self-proclaimed hawk on General Noriega, was dismissed under adamant pressure from the Joint Chiefs of Staff and its then Chairman, Admiral William J. Crowe Jr., who "resisted any confrontation with General Noriega's troops," Mr. Cheney asserts.

He writes with what Ernest Hemingway once called "that beautiful detachment and devotion to stern justice of men dealing in death without being in any danger of it." Admiral Crowe and his commanders un-

derstand what it means to ask soldiers to risk death in the service of their country, even if others do not.

There is one way to get the Joint Chiefs to order men into battle to topple General Noriega. It is called a declaration of war. That would put the burden of responsibility for what would then happen on Congress and not on the Chiefs or the CIA. And that of course is one of the main reasons why this modest proposal, as Jonathan Swift would have called it, won't fly in Washington as it is run today.

The Washington Post.

100, 75 AND 50 YEARS AGO

### 1889: A Dream of a Waltz

NEW YORK — The "Dream" is the new waltz that has received the approbation of the fair queens who preside over the mysteries of Gotham ballrooms. The movements of this new dance are described as "dreamy" and "voluptuous." The dancers may "glide along into soulful bliss to their hearts' content." There is also "a delicious little moussy jump" in the "Dream" that must make it quite the reverse of a nightmare. We suppose it is alright so long as the "mammals" don't object.

### 1914: Belgians in France

PARIS — As an immediate result of the fall of Antwerp, the seat of the Belgian Government has been transferred to Havre. The Belgian Government will enjoy extra-territorial rights and will have priority as regards telegraphic communication. Its privileges will be almost identical to those granted the Holy See by Italy. "France is proud and happy," says the "Temps,"

## Prisoners: In Poland, In America

By Tom Wicker

NEW YORK — Among other significant recent events in Poland, the population of its prisons has fallen from about 116,000 in April 1986 to about 58,000 on July 31, 1989. It seems worth noting that:

• Poland's prison population therefore has been reduced by half in just over three years, a remarkable record for any society, particularly one under an authoritarian government for most of that time.

• In roughly the same period (December 1985 to June 1989), the prison population of the democratic United States increased by more than 6 percent each year, and by 14.6 percent in the first six months of 1989.

Even if the number of inmates in federal and state prisons grows by only the more modest 6 percent figure for the rest of the year, by 1990 these institutions will house nearly three-quarters of a million Americans.

By then, too, the population of local jails — which has been growing at about the same rate of more than 6 percent a year — will surpass 300,000. Thus, by the end of this year, more than a million people will be behind bars in the land of the free and the home of the brave.

Projected from Department of Justice figures by The Sentencing Project of Washington, D.C., this upward total will include 731,978 in federal and state prisons, and 341,851 in local jails — 1,073,829 altogether. The comparison with Poland is not misleading. There, too, the held in prisons are the rough equivalent of those in prisons and jails in the United States.

Last summer, about 50,000 Polish inmates had been convicted of a crime; the others were being held for investigation, under a reprehensible system that allows a prosecutor to hold suspected people before indictment, sometimes for long periods and with virtually no rights.

That would be unconstitutional in the United States — fortunately for Americans. Because even without such arbitrary "new enforcement," imprisonment in the United States has become a growth industry, particularly when looked at over the long haul.

In 1972, only about 200,000 inmates occupied federal and state prison cells; fewer than 150,000 were in local jails. From those figures to the million-plus estimated by the end of 1989 is an increase of about 200 percent.

This growth, of course, took place before President George Bush and his drug czar, William Bennett, launched their so-called war against drugs, with its heavy emphasis on imprisonment. The nation was imprisoning 673,565 convicted people in June 1989, not counting those in local jails, before these intrepid drug warriors called on the states to expend \$5 to \$10 billion for building new prisons.

I do not have figures at hand for the rise in the incidence of crime in the United States from 1972 to 1989; and anyway the crime rate is measured in different ways by different agencies. But no one will dispute that crime — right along with imprisonment — has increased enormously in those two decades, to become one of the leading concerns of the American people.

This might — but probably won't — give pause to those who assert that the answer to crime (or to drug addiction, for that matter) is to put more people in prison and keep them there longer. How many more prisons can a democratic society build, at huge expense, to incarcerate how many more people (in most cases at a cost in excess of college tuition for each), before it "consumes" crime and drugs?

In Poland, on the other hand, "the black flower of civilized society" has begun to wither. In a report being prepared for Helsinki Watch by Hans Schwartz of the American University law faculty, major improvements are found to have occurred between visits of inspection in 1987 — when prison conditions were "dreadful" — and 1989.

Improvements included the striking drop in prison population, a decline in brutality, improved access for outsiders, better clothing and freedom of religious practice for sentenced prisoners. Mr. Schwartz, who has conducted such prison inspections in Turkey, Brazil, Cuba and Czechoslovakia, of course found much still to be deplored — overcrowding, lengthy solitary confinement, primitive sanitation, poor food, hard and sometimes dangerous work for virtually no pay.

That same list of deficiencies, shamefully enough, could be compiled for most American prisons — in which "major improvements" often are more gun towers and fewer paroles.

The New York Times.

### 1939: War 'in Earnest'

LONDON — The British government has scoffed at German threats that "the war will now begin in earnest" as a result of Prime Minister Neville Chamberlain's rejection of Hitler's "outstretched hand of peace." Hitler conferred with his aides after hearing the Chamberlain speech, and is to begin consultations with Russia and Italy at once. Meanwhile, the Royal Oak, a 29,150-ton British capital ship, was sunk yesterday (Oct. 13), presumably by a German submarine. 830 officers and men out of a total 1,200 are believed lost. In the space of twenty-four hours, three German submarines were sunk by British warships, according to an Admiralty communiqué.

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## ARTS/LEISURE

## Meanderings of Middle East Art

**International Herald Tribune**  
LONDON — This week provided a striking illustration of a fundamental if hitherto unrecognized characteristic of the art market. It is divided into macro-markets and micro-markets.

The former, which appeal to the thousands, include areas like Impressionism or Chinese pottery. The latter, which appeal to the few, are less than 20 or 30 on a serious scale, are governed by entirely different rules, of which un-

## SOURIN MELIKIAN

predictability and the absence of a clear-cut relationship between prices and intrinsic quality are the most obvious.

The so-called Islamic art market is perhaps the most extreme case, as could be verified Tuesday at Christie's and the day after at Sotheby's, where big successes alternated with dreary patches and sometimes failures. Occasionally, these were inconceivable, as when, too, some of the big scores.

At Christie's, out of 281 lots offered, 170 were sold, 5 having been withdrawn. Prices went up and down like a yo-yo and seemed to be making fun of the estimates. At one point for example, the manuscript of a Turkish encyclopedia, copied in 1835, was knocked down at the low estimate, £2,200 (\$3,520) with premium. The lot that followed, a calligraphic page done in India at Kanpur in 1740, multiplied the high estimate five-fold as it rose to \$4,400. The baroque style obviously appealed to the attendance.

Not so the next calligraphic page, although it carried one of the six most famous signatures in the early period, that of the 13th-century Yaqut al-Musta'zisi from Baghdad. Estimated to be worth £13,200 to £19,800, it was bought in at £9,500, probably because of later additions.

Objects were equally erratic. A rare Syrian bowl of the 13th century with a lustre painted pattern went for £1,320, the high estimate. Within minutes, a beautiful ewer from 12th-century Iran multiplied the high estimate more than six times, at £7,150. Both were intact, which is rare. The extreme contrast is unjustified.

Inconsistencies continued right up to the top. One of the most



Portrait of Sultan Mohammad Mirza, son of the Shah of Iran, circa 1835, which was sold at Christie's this week for £22,000.

important pieces of Iranian metalwork seen in years came up toward the end. This is a long pence-and-inkwell — not just "pence" — made of bronze sheet inlaid with silver.

The catalogue only notes the signature, that of an artist also known as an astrolabe maker. "Muhammad ibn Hamid the astrolabe maker from Isfahan." It transcribes a long Arabic inscription, with several mistakes in passing ("uyid," or "divine support," is misread as "abid," which is impossible), and remains silent on a

key point. The object is one of three or four linepieces for reconstructing the history of western Iranian metalwork in the late 12th century. Hence the price, £14,300, slightly in excess of the high estimate.

Minutes later another major piece came up. This is a brass casket of the second half of the 13th century described as "Mesopotamian," an attribution that remains to be established. The inscription of wishes to the unnamed owner, described as "only decipherable in parts," is fully legible.

The catalogue does not discuss

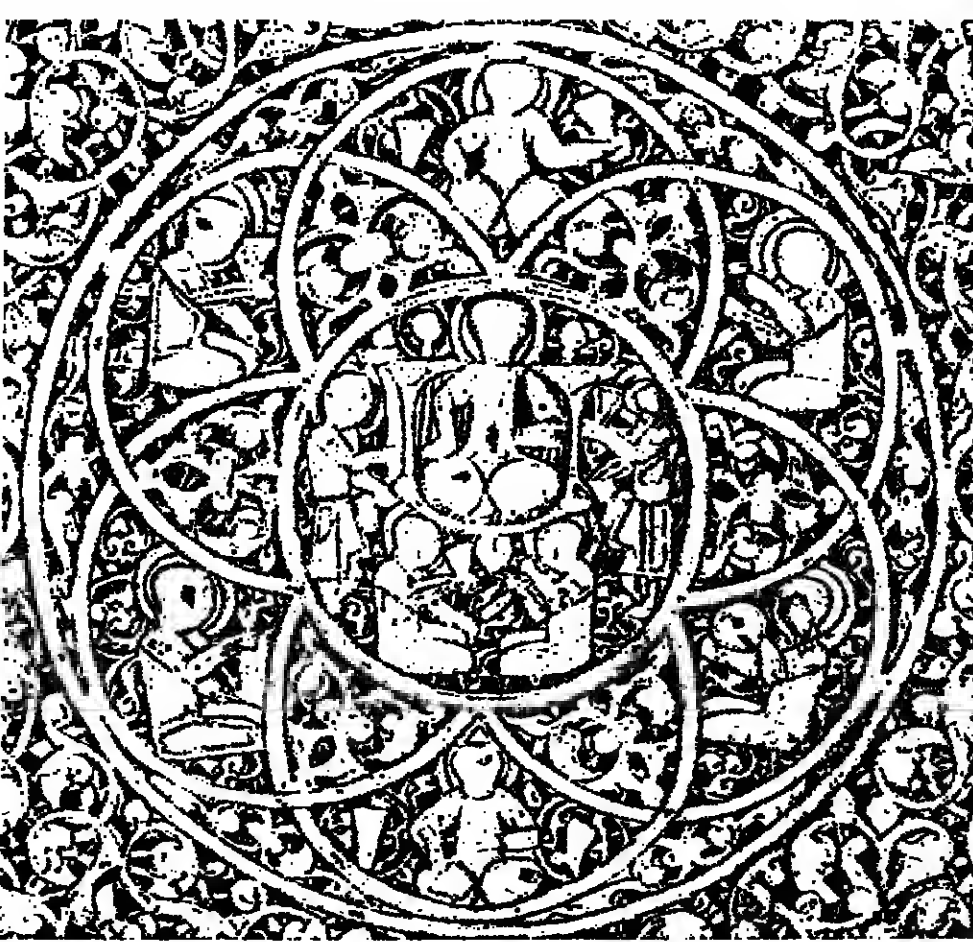
the legs, which do not match the decoration or really suit the shape, making one wonder whether they were added sometime after completion. As the object differs from any known casket, the question is not easily answered. Despite some damage and losses in the inlay, the object is remarkable. It set a record for a piece of metalwork from the Middle East at £242,000, almost four times the high estimate. This again demonstrates the lack of any price scale. The ratio between the pence-and-inkwell and the casket should have been 1 to 4 or 1 to 5, not 1 to 20.

The art of areas as diverse as the Iranian world from Soviet Central Asia to present-day Afghanistan and Iran, the Arab world from the Yemen to Morocco, or the Ottoman empire stretching from Turkish Anatolia to Serbia, is arbitrarily lumped together in a way that would be unthinkable in sales of Western art. It creates visual confusion for the viewers and makes the task almost impossible for the auction house experts who have to cover it all. They become dispatching centers, as they try to refer each special problem to a specialist — if there is one at hand.

Unacquainted with the languages required, and therefore epigraphy — the fine art of reading early scripts — they seek enlightenment from the academic world where, often, art history and proper literary and historical training do not go together where Islamic cultures are concerned. What they can get can be inaccurate and, occasionally, hysterically spoofy.

In Christie's sale, a "calligraphic lion, Persia, 19th century" was, indeed, a lion whose body is made up from the text of a prayer but not, as the catalogue says, with "the feet bearing the name of the scribe Nadi-i-Ali." It is the much repeated Shiite prayer that begins, in Arabic, "Nadi Alifayyan, mazhar al-'ajayib," (call unto Ali, the manifestation of wonders, etc.). No artist was called Nadi 'Ali, anywhere than English painters were ever called "Our Father who art in Heaven."

The little mishap does not stop there. The paper is thicker than the usual 19th-century paper and the bright colors, Iranian dealers say, not unlike those of some calligraphies that could be seen in Tehran in the 1960s. Could this account for the grotesque appearance of the



Detail of a silver inlaid brass casket from the Middle East, sold at Christie's for a record £242,000.

animal? For £7,700, the buyer will be able to ponder the problem.

Sotheby's Wednesday sale underscored the same points and made a few more. Inevitable inaccuracies had crept in. The "Persian brass figure of a bird, 12th-13th century," crudely engraved, is unconvincing and was mercifully bought in at £1,300. The "Syrian silver inlaid brass jar and cover, circa 17th century" displays revivalist motifs much favored in the Near Eastern souks in the 1800s. It sold for £1,540.

As an "Anatolian bronze Brazier, 13th-14th century" came up, the auctioneer said glumly, "This lot is sold without guarantee. Further study is indicated." Further study is unnecessary. The bazaar pastiche is obvious. Reproduced in color, estimated to be worth £22,000 to £33,000 with premium, it fell flat at £3,800.

As at Christie's, there were extreme price variations. A record was set for any pottery piece from

the Middle East when a so far unique blue and white jar of the 15th century, presumably Syrian, soared to £13,540. Turkish pottery went through the roof, but here, too, price inconsistencies were striking. A reversion tile from Iznik done in the 1520s of a type known from several buildings in Istanbul tripled its high estimate at £28,600. But, two lots down, a flask with two spouts and a blue marbled pattern which, according to the entry, would be unique, sold for £22,000, well within the estimate.

Discrepancies such as these are typical of a micro-market in which there are few players. Throughout Sotheby's sale, the impact that three or four buyers have on the market came out strongly. It now appears that a single Turkish bank, never mentioned in the media in this connection, the Ikisat Bankasi, turned around the market for Iznik pottery when it started building up a collection five years ago. Sotheby's expert

Stephen Wolff says they buy well. On Wednesday, they got, among others, the £28,600 tile and the £22,000 flask. Another group calling itself the "Nour Foundation," set up by the London "Khalili Galleries" with the director David Khalili says, the backing of two Swiss banks, has had an even more dramatic impact, buying the most spectacular pieces across the board. It acquired both the £225,000 casket at Christie's and the £137,500 blue and white vase at Sotheby's.

When such buyers take no interest, prices are very different. A unique 10th-century bowl from Nishapur in eastern Iran cost an English film producer a modest £1,520. Another buyer was a little less lucky with another 10th-century bowl from Nishapur, which soared to £5,720. The subject is not easily found but the color seems to have darkened in the restoration process. Even here, the teasingly erratic price pattern goes on, in this micro-market of megacultures.

## Collector's Guide

6-15 OCTOBER 1989

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## The Witty Gadgets Of Alexander Calder

By Suzanne Slesin

New York Times Service

NEW YORK — "The Intimate World of Alexander Calder," an exhibition that opens at the Smithsonian Institution's National Museum of Design in New York Tuesday takes the design-as-functional-object enthusiast further afield than ever before.

More than 350 pieces handcrafted from found objects, bits of metal and the artist's ubiquitous wire — mobiles and stabiles, sculptures, jewelry, toys and especially household gadgets and inventions — all bear witness to the artist's lifelong ingenuity, wit and creativity.

A tea strainer, a giant spoon, a magazine rack, a toilet paper holder — they all not only work, and perfectly at that, but also make you smile.

"We're showing the other side of Calder: Calder as a designer, as an engineer," said Dianne H. Pilgrim, the director of the museum, previously known as the Cooper-Hewitt Museum.

"We tend to compartmentalize things too much," Pilgrim added. "The graphic designer, the three-dimensional designer, the fine artist — in the end, it's all the same process. With Calder, it was all his work."

The exhibition was originally organized by Daniel Marchesseau, a curator at the Musée des Arts Décoratifs in Paris, where it was shown last spring before moving to the Centro Cultural de Arte Contemporaneo in Mexico City last summer.

Calder died in 1976. Most of the objects on display were created by him in the mid-1940s and early '50s, and while they have always enjoyed a certain cachet, they have never looked as good or seemed as appealing as they are today.

A small chest with drawers made out of cigar boxes, a tinkling table bell made from a broken wineglass, a lantern made into a frilly ashtray — these are just some examples of Calder's predilection for the creative re-use of discarded materials.

Many of the objects were gifts the artist made for his friends including Saul Steinberg, Marcel and Tenny Duchamp and André Masson.

"I particularly like the whole idea of recycling and making do," said Dorothy Twining Globus, curator of exhibitions at the museum. "I'm sick of all the things that are wasted. Calder could take the rejects of life and put them together in new and wonderful ways."

Calder, who divided his time between France and the United States, was particularly adept at making things from scratch and equipping his homes and studios in Saché, France, and Roxbury, Connecticut, with many of these pieces. "Our emphasis was not on Calder the artist, but on Calder the creative problem solver," explained Lee H. Skolnick, of Lee H. Skolnick Architecture and Design who helped design the installation of the show.

Calder was constantly adapting or improving on the things around him: Chinese teacups were adorned with metal stands and handles to make them easier to drink from; a metal brooch tin was made part of a hanging lamp; shards of glass were integrated into a fish mobile, and a coffee can was transformed into a rattle.

"Calder redefined design," Skolnick said. "And he was doing it all the time, not in a white office or on a white sheet of paper. He'd just look at something and find a way to improve it."

The objects, whether a toy, an oversize necklace or a barbecue grill, all encompass many seemingly conflicting characteristics. Both folk and fine art, they are simple yet sophisticated, precious without being exquisite, simple yet artful.

"There's absolutely no excess," Jo Ann Seow, the company's museum services director, said. "The objects look so spontaneous yet you can't change anything and make it better."

Trained as an engineer at the Stevens Institute of Technology in Hoboken, New Jersey, from which he graduated in 1919, Calder was hardly ever without his wire and favorite pliers.

"His work is as continuous as the wire with which he worked," Globus said. "He didn't make distinctions between art and other things. It was all connected."

Globus ferreted out what she called the "official Calder colors" — for the walls and display cases in the exhibition. "We matched Calder's orange red, his brilliant yellow and almost iridescent blue — that was the hardest."

All of the artist's fish-related objects and jewelry were placed in an aquarium-like vitrine. And Calder's multicolored "La Touraine," a plumed bird made from coffee, beer and olive cans, looks as if it is flying into the stair hall.

"Some of the objects are so funky," Globus said. And some are "a bit messy," she added, referring to a fish mobile Calder created in the '50s. "If you look closely, you can usually discover a bellybutton or two."

"In a way Calder never grew up," Globus said. "Isn't that marvelous?"

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Tinkling table bell made by Calder from a broken wineglass.

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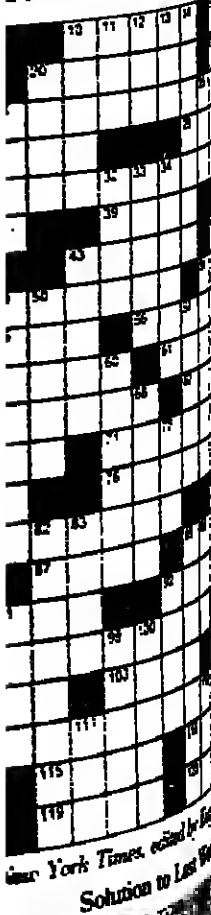
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SATURDAY, OCTOBER 14-15, 1989

Page 9

WALL STREET WATCH

Junk Bond Prices Plunge  
As Investors Fly to Quality

NEW YORK — Prices of high-yield junk bonds tumbled by 200 basis points Friday, as an already jaded market was shaken by news of companies encountering problems with leveraged financing. The trigger for the fall, news that the proposed buyout of United Airlines' parent company may be off, also sparked the steepest decline in U.S. stock prices since Black Monday in 1987.

Junk bonds continued to extend earlier losses in late afternoon trading. After Airline Acquisition Corp., the group behind the \$6.75 billion buyout plan for UAL Corp., said it was told by an agent bank that senior financing was insufficient for it to complete its \$300-per-share offer.

Junk-bond traders also said there was a major flight from the market to quality investments such as high-grade corporate and U.S. Treasury securities. "We're seeing a tiered market in regard to credit quality," said one trader.

Traders said the more distressed junk bonds were down to 1.5 percentage points lower, while higher-quality bonds such as RJR Nabisco Inc.'s 13.5 percent subordinated debentures of 2001 were one-half to three-quarters of a point weaker.

"The junk market is not full of cash the way it used to be," said Ron Lout, portfolio manager of Financial Programmes Inc. He said many companies just do not have enough cash coverage to repay debt in the highly leveraged market.

The junk bond market, which has been reeling for some weeks, likely to get worse before it improves, according to Robert M. Steinberg, the head of risk arbitrage at Bear, Stearns & Co.

He pointed out that investors in this \$200 billion market were beginning to focus on the difficulties that some leveraged companies faced in selling off assets to help make debt payments.

"People are concerned about asset sales," said one junk bond dealer. "All of a sudden, there may not be as many buyers as people thought."

THE MARKET'S WEAKNESS has extended even to well-known names in the corporate bond market, and some traders said it made prospects uncertain for \$11 billion worth of new high-risk securities that companies plan to issue by the end of this year. Among those planning offerings are Continental Airlines, Grand Union Co. and CNW Corp.'s Chicago & North Western Railway.

Mr. Steinberg's remarks about the junk market came in an overall assessment of the potential for arbitrage investments, where investors speculate on stocks in companies involved in takeovers or restructurings, hoping for quick appreciation.

One participant in the meeting at which Mr. Steinberg of Bear Stearns spoke this week told the group, "Companies that require asset sales are not financeable." Mr. Steinberg declined comment.

The arbitrage said that the return on asset sales would continue to disappoint investors. He cited as examples the sale of the Caldor chain by May Department Stores Co. and the Harcourt Brace sale. Both had fetched prices considered modest by analysts.

As a result of this softening market for corporate divestitures, he forecast that future corporate takeovers would likely be made by so-called strategic acquirers who want to own the companies, instead of leveraged buyout firms that have been involved in many of the "bust up" deals that are financed by the sale of a company's assets. The future deals will use less junk bond financing and more bank debt, he added.

The bonds already trading of some of the "bust up" restructur-

See JUNK, Page 13

Japan Trade Talks  
Raise a Tempest  
In a Baby Bottle

By David E. Sanger  
New York Times Service

TOKYO — In her first visit to Japan as U.S. trade representative, Carla A. Hills faced off on Friday against Japan's hard-nosed bureaucrats. They argued about baby bottles.

In a series of meetings with the leaders of most of Japan's key ministries, and with Prime Minister Toshiki Kaifu, Mrs. Hills has spent the past two days pressing American arguments about supercomputers, satellites, farm goods, and wood products, saying Japan's markets were closed to all of those products.

At the construction ministry, she pressed for quick changes in the "dango" system of bid-rigging that makes it virtually impossible for foreign firms to win construction contracts in Japan, and in several meetings she called for quick progress in talks

to simplify Japan's distribution system.

But all through the day, it was the question of baby bottles — never before a major trade issue — that seized the attention of Japanese and American officials.

It began this morning, when Mrs. Hills gave a speech complaining about the pettiness of Japanese regulations for imported products, which she said often blocked the sale of American consumer goods.

Reaching for a vivid example, she told a large audience of reporters that an American-made plastic baby bottle was barred from Japan by the Ministry of International Trade and Industry "because it had measurements in both the metric and English systems." The Japanese use only the metric system.

"As a mother of four," she continued, "I can assure you that a hungry child does not care



Carla A. Hills

which way its formula is measured."

No sooner had Mrs. Hills finished speaking than ministry officials began declaring that she was wrong. There was a concern about a baby bottle, an official in the ministry's Americas division explained, because some people "were afraid that consumers would confuse the measurements." In time, however, they had determined that Japanese consumers were bright enough to

See JAPAN, Page 13

Real Estate Jitters in U.K.  
Bank of England 'Closely' Watching Loans

By Paul Sillitoe  
International Herald Tribune

Robin Leigh-Pemberton, governor of the Bank of England, took the unusual step Friday of noting that the central bank is monitoring "quite closely" the large volume of British bank lending for real estate.

Although his remarks, in a speech in Paris, did not warn of a collapse in real-estate prices, they came as analysts have started to draw comparisons with the British property slump of the early 1970s. The speech triggered a decline in values of property issues on the London Stock Exchange.

Mr. Leigh-Pemberton said, "We cannot neglect the possibility that current levels of interest rates may challenge the assumptions underlying some of this lending."

The base lending rate was increased to 15 percent last week, the latest episode in a steady climb that is aimed at suppressing inflation but which has taken the steam out of Britain's property boom.

The central-bank governor said that "although we do not currently see property lending as a major supervisory anxiety, the bank's su-

pervisors have been monitoring banks' property exposures quite closely."

Mr. Leigh-Pemberton noted that some people had drawn comparisons between recent real-estate borrowing trends and the early 1970s, a period when a loan-fed property boom led to a dramatic collapse in prices and helped trigger the so-called secondary banking crisis of 1974-75.

But he rejected the comparison: "I do not think this is appropriate as the distribution of lending today is very different. For a start, it is spread across a wider range of banks, with large London branches of strongly capitalized foreign banks in particular having become significant participants in the market."

Bank of England data showed that at the end of August, almost 9 percent of British property lending came from Japanese banks, Reuters reported, with U.S. banks providing slightly more than 7 percent.

In his speech, to the Royal Institution of Chartered Surveyors, Mr. Leigh-Pemberton said that concentration of risk was the main issue. "Exposures to the more highly geared companies might well be

singled out for special attention, as might the viability of the underlying projects in limited-recourse financings," he said.

"But of course, above all it is essential that bankers should continue to reassess their customers' ability to service their borrowings in the current high-interest-rate climate," he said.

Mr. Leigh-Pemberton said provisional figures suggested that sterling property-loan portfolios of banks grew by 50 percent to about \$50 billion (\$44.5 billion) in the 12 months through August.

He warned that the latest rise in interest rates should have further impact on the property and housing sectors, "and we will be watching this carefully."

On the London Stock Exchange, real-estate shares were marked down across the board as soon as Mr. Leigh-Pemberton's remarks were released in Britain. Among falling issues were M&P PLC, which eased 6 pence to 512, and Hammonson, which inched 3 pence lower to 840.

In the banking sector, Barclays PLC fell 10 pence to 495 and Nat- See PROPERTY, Page 13

EC Notified  
On Renault  
Merger Deal

Compiled by Our Staff From Dispatches

BRUSSELS — In the closest indication yet that Renault and Volvo may be discussing a merger, the European Community's executive said Friday that it had been officially informed of talks between the two big automakers.

The EC's executive commission has broad powers to investigate whether proposed mergers may violate the community's competition rules.

Volvo confirmed this week that it had opened preliminary talks with Renault, but neither company has said whether the merger is envisaged, as Swedish newspapers have reported. If a merger were decided, it would make the new group the world's fourth largest automaker and the biggest truck maker.

"The European Commission has been informed of the talks," Michael Berend, a spokesman for the commission, said Friday. "We don't know what the outcome is before assessing whether it is interesting" for the commission to review.

Informed sources in Brussels said the French government had told the commission of the talks. The talks between Renault and Volvo began months ago as an attempt at collaboration in the European truck business and have expanded to include possible joint efforts in carmaking and other areas.

"Suddenly companies have to think much more creatively than ever before," said Maryann Keller, automotive analyst at Farnham Selz in New York. "There's an awakening in Europe that the old rules don't apply."

The prospect of increased competition in Europe when trade barriers fall in 1992, the rise of Japanese automakers as a global force and the soaring cost of research and development are three important factors pushing many automotive concerns toward alliances with competitors.

Ford Motor Co. wants a 51 percent stake in the unprofitable car division of Saab-Scania AB, but the Swedish manufacturer will not relinquish control of the unit, the daily Svenska Dagbladet said, according to a Reuters dispatch from Stockholm. (AP, AFP, NYT)

Stock Market Drags the Dollar Down;  
It Falls 3 Pfennig, 2 Yen in Hectic Trade

Compiled by Our Staff From Dispatches

NEW YORK — The dollar plunged on Friday as the rout to the U.S. stock market dragged it down to its lowest level since 1987.

The dollar fell 3 pfennig to 1.8720 Deutsche marks, from 1.9083 DM at Thursday's close. A Friday morning rally, sparked by data showing a sharp rise in the U.S. Producer Price Index in September, crumbled in a wave of selling.

"The dollar collapsed today," said Olli Enquist, a senior trader at Kansallis-Osake-Pankki Bank in New York. "In the afternoon it really started going like a snowball."

The dollar also tumbled to 141.950 yen, from 144.175, and to 1.6410 Swiss francs from 1.6745. The currency fell 6,330 French francs from 6,4715, while the British pound climbed nearly 3 cents to \$1.5810.

Dealers said that the dollar began to show signs of vulnerability Friday when it failed to breach a key resistance point at 1.9150 DM following the U.S. economic reports.

The government said that producer prices rose 0.9 percent in September, compared with 0.4 percent in August. Retail sales gained 0.5 percent in September, compared with a 0.7 percent rise in August. Both reports were generally stronger than expected.

Dealers bid the dollar up on the strength of the numbers, which suggested the Federal Reserve Board was not likely to risk accelerating inflation by easing interest rates to stimulate the economy.

The dollar boosted the dollar from 1.9083 DM at the opening to a high of 1.9140 DM. But when currency failed to cut through the resistance point, rumors of dollar sales by the Federal Reserve Board turned the currency lower.

As the stock market fell gathered speed, the dollar rally turned into a rout. "As the stock market went lower, it brought the dollar with it," said

Hugh Walsh, a dealer at Amsterdam, Rotterdam bank.

"It was very, very hectic," said assistant vice president and trader Tom Palladino of Amsterdam Rotterdam Bank. "It was basically everybody trying to sell dollars — they couldn't sell enough dollars."

He said efforts to meet sell orders from clients were complicated by a market thinned out by early weekend departures.

Dealers said the Fed chairman, Alan Greenspan, had helped to propel the dollar higher with comments earlier this week suggesting the Fed would not lower interest rates soon. But they said the comments were not nearly enough to support the currency in the face of such selling pressure.

"We're just going where we were before Greenspan's comments Tuesday," said Charles Wheeler, foreign exchange manager of Union Bank in Los Angeles, discussing the dollar's levels. "We would have been here Tuesday and Wednesday, without the remarks."

In a speech delivered in Moscow,

Mr. Greenspan said focusing on short-run stabilization of currency markets may ultimately be counterproductive to the fight for price stability.

Traders are confused as to whether the Federal Reserve has eased credit slightly. Most economists maintain the Fed has lowered its federal funds target range of 8 1/2 percent to 8 3/4 percent from about 9 percent earlier.

However, a few maintained that the Fed's draining of bank reserves from the banking system on Friday indicates the central bank has not eased yet.

Although traders said the dollar may slip to 1.85 DM next week, most are not looking for it to slide any further than that.

In Europe, the dollar plunged by more than 2.5 pfennig against the mark, erasing most of the gains the U.S. currency made this week.

Some said the fall was sparked by large-scale selling from Asia, where the dollar reached the day's highs of 1.9140 DM and 144.80 yen, and was spurred by rumors of

discreet Fed intervention in New York.

Meanwhile, in a symptom of continuing tensions within the European Monetary System of currency management, the Danish krona slipped below its floor rate against the mark. But analysts said recent official statements ruling out an EMS realignment meant that only early price changes are likely.

"It doesn't mean we're going to have a realignment this weekend," said Jonathan Hoffman, European economist at Credit Suisse First Boston. "But the markets are obviously much more tense than they were three or four weeks ago."

The Danish central bank sold marks for crowns Friday attempting to support the currency, a central bank spokeswoman said.

"We are at the intervention point against the mark and we have intervened," the spokeswoman said. She declined, however, to give details about the size of the intervention.

Denmark has pegged its interest rates to those of West Germany, aiming to keep a bond yield differential sufficient to attract investors to the Danish bond market, while keeping rates as low as possible to help the weak domestic economy.

Higher domestic interest rates would reduce the competitive advantage Danish exporters need to reduce the large balance of payments deficit and help repay the country's large foreign debt.

Most dealers said they believed the central bank would raise short-term interest rates to defend the crown only as a last resort, and would much prefer to use its reserves.

"Our rates seem to follow German interest rates 100 percent," said one corporate dealer. "Of course if speculation against the crown persists, the central bank will probably have to raise interest

See DISNEY, Page 11

See DOLLAR, Page 13

Currency Rates

Cross Rates	Oct 13	Oct 14
American dollar	1.8720	1.8720
British pound	1.5810	1.5810
French franc	6.4715	6.4715
German mark	1.8720	1.8720
Italian lira	1.366	1.366
Japanese yen	141.95	141.95
Swiss franc	1.6410	1.6410
Spanish peseta	166.64	166.64
U.S. dollar	1.8720	1.8720

Forward Rates	Oct 13	Oct 14
1 month	1.8720	1.8720
3 months	1.8720	1.8720
6 months	1.8720	1.8720
1 year	1.8720	1.8720

Interest Rates	Oct 13	Oct 14
1 month	8.5%	8.5%
3 months	8.5%	8.5%
6 months	8.5%	8.5%
1 year	8.5%	8.5%

Dresdner to Buy Stake  
In Paris Merchant Bank

Compiled by Our Staff From Dispatches

PARIS — Dresdner Bank AG, West Germany's second-largest commercial bank, on Friday announced plans to take a controlling stake in the French investment bank, Banque Internationale de Placement.

Dresdner said it will acquire a 64 percent stake in Banque Internationale in a two-stage operation for slightly more than 1 billion francs (\$154.1 million).

Dresdner said it would take an initial 32.99 percent holding in the bank by acquiring 18.2 percent from the current majority shareholder, Societe Generale de France, plus stakes of 9.7 percent from Societe Generale de Belgique and 5.1 percent from the Swiss commercial bank, Credito Svizzero.

This will leave Societe Generale with a 30.84 percent stake in International, which Dresdner said it will acquire between Jan. 1, 1990 and Sept. 30, 1991 at the same price.

Bank International de Placement, which was established in 1979, specializes in the arbitrage of French and European financial instruments.

Through the French acquisition, Dresdner would expand in areas of capital markets and financial prod-

ucts such as arbitrage in equities and bonds, a statement from both banks said. The West German bank would also gain greater access to the Paris options and futures markets.

Dresdner already has a seat on the London International Financial Futures Exchange and is one of the banks setting up West Germany's new financial-futures exchange.

The move would increase Dresdner's presence in asset management, stockbroking and mergers and acquisitions. Banque Internationale would also work with Dresdner's unit, Banque Veuve Morin-Pons, in France.

"It is important for Dresdner Bank to widen its base in France," said Georg Klein-Siebenbürgen, an analyst at Bank in Liechtenstein GmbH in Frankfurt. "This fits into its European strategy."

Dresdner will be paying 1,105 francs each for Banque Internationale shares, well above their 938 franc level Thursday — their highest this year — before the stock was suspended on the Paris Bourse. The price values Banque Internationale at about \$280 million.

The French bank employs about See DRESDNER, Page 13

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The undersigned announces that the Annual Report 1989 of Casio Computer Co., Ltd. will be available in Amsterdam at: Algemeene Bank Nederland N.V., Amsterdam-Rotterdam Bank N.V., Bank Meeus & Hope N.V., Pierson, Holding & Pierson N.V., Kas-Associatie N.V.

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 10th October 1989.

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Amsterdam, 10th October, 1989.

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AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, 10th October, 1989.

For information only

SHEARSON LEHMAN HUTTON

An American Express company

THE MANAGED CURRENCIES PROGRAM

is closed to new investors

PERFORMANCE RESULT FOR BEGINNING EQUITY OF

\$ 20,000

JANUARY 1st 1989

HAS BECOME

\$ 30,488

October 1st, 1989

AFTER ALL COMMISSIONS

NEXT REVIEW IN NOVEMBER 1990. 1989 ISSUE. THERE IS NO MANAGEMENT FEE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE PERFORMANCE.

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An American Express company

THE MANAGED CURRENCIES PROGRAM TWO

is closed to new investors

PERFORMANCE RESULT FOR BEGINNING EQUITY OF

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JANUARY 1st 1989

HAS BECOME

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INTERNATIONAL MANAGERS

BY SHERRY RICHMAN THE HIGHEST LEVEL OF EXECUTIVE RECRUITING THE INTERNATIONAL MARKETPLACE



Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Low	Stock	Dtz	Yld	PE	Sig 10b	High	Low	4 P.M.	Ch'g
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## BUSINESS BRIEFS

## First Chicago Boosts Loss Provision

**CHICAGO (Reuters)** — First Chicago Corp. on Friday joined the ranks of U.S. banks reporting third-quarter losses, or reduced earnings, as a result of increased provisions for Third World loans (Page 13).

The bank holding company said it had a loss of \$23.3 million, or 50 cents a share, in the quarter, compared with a year-earlier profit of \$111.4 million, or \$1.73 a share. The bank took charges of \$200 million in the period to increase its reserves for developing-country debt.

"First Chicago's balance sheet continues to be strong," said Chairman Barry Sullivan. "Despite the reserve action, the common equity-to-assets ratio dropped only slightly, to 4.4 percent as of Sept. 30. Therefore, we do not intend to issue new common equity."

## Bank Bumiputra to Reduce Capital

**KUALA LUMPUR (Reuters)** — State-owned Bank Bumiputra Malaysia Bhd., which suffered massive losses on domestic loans in its last financial year, on Friday announced a restructuring that will reduce its capital to \$1 billion.

The bank said it would ask shareholders next week to approve a cut in paid-up capital to \$1 billion from \$2 billion, from 1.68 billion shares to 1.6 billion shares, at a price of \$1.25 per share.

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## Primerica Net Income Doubled

**NEW YORK (Reuters)** — Primerica Corp. reported sharply higher third quarter and nine month results Friday which it said was because of efforts to streamline operations and combine companies.

Third quarter net income rose to \$78.3 million from \$33.1 million in 1988.

Primerica's total assets under management reached \$40.5 billion on Sept. 30, up from \$33.8 billion on Sept. 30, 1988.

## Intel Has Lower Sales, Better Orders

**SANTA CLARA, California (Reuters)** — Intel Corp. on Friday reported a decline in third-quarter revenue, to \$771 million from \$785 million in the same 1988 period, but the computer company's stock rose because of a better order-book.

Intel said it had net income of \$72 million for the quarter, down from \$145 million in July-September 1988.

However, its shares rose to \$34.75, up 87.5 cents, in early New York Stock Exchange trading, after the company said it had strong orders across all product lines in the quarter. Investors have been worried recently by reports from computer companies indicating sharply lower orders.

## Peugeot Begins Talks With Unions

**MULHOUSE, France (Combined Dispatches)** — Strikers at the Peugeot SA plant here ended an occupation of the plant's foundry on Friday and negotiations with management began in Paris.

Some 300 strikers called off their 19-day occupation of the foundry, saying they had been clean and tidy. The Paris talks are an attempt to end the five-week-old Peugeot strike, but 15 minutes after the session opened, representatives of one of the seven unions involved were complaining that management was setting new conditions.

Peugeot says it has lost 49,000 cars because of the partial strike at its two factories in eastern France. (AP, Reuters)

## China Bank Is to Issue Credit Cards

**BEIJING (AFP)** — One of China's biggest banks said Friday it would launch a new credit card Sunday.

The Peony card, issued by the Industrial and Commercial Bank of China, will be available to individual and corporate clients, a bank spokesman said, according to the New China News Agency.

It will be accepted in Beijing, Tianjin, Shanghai and Guangzhou at designated stores, restaurants and hotels, as well as for cash withdrawals at selected bank branches.

## DISNEY: Executives Learn a Corporate Culture Pervaded by Pixie Dust

(Continued from first finance page)

company, in a country where 75 percent of the labor force is in the service sector, according to the U.S. Bureau of Labor Statistics, the demand for wisdom like Disney's is deep and wide.

At the executives' three-day seminar, virtually everything Disney said embodied a single concept: the care and feeding of its corporate culture.

In morning lectures and afternoon trips to behind-the-scenes Disney World locations — the Magic Kingdom prop and costume rooms, the machine shops, the employee-training center — the seminar's students learned the Disney way of life.

On the first day of the seminar, one incident taught lessons like no lecture can. The 60 seminar-group members had just been transported by bus to Disney University. A young man walked through the front door reporting for his first day. He was dressed neatly, in a suit and a short-sleeved shirt. But his hair popped over his collar by an inch or so.

"Your hair is a bit too long," the receptionist at the center's lobby told him firmly, but with a smile. "You can either go in the bathroom and cut your hair, or you can come back another day." She produced a pair of scissors, and the young man cut his hair.

At the seminar, personnel and training executives came from the widely varying industries of:

- hotels (the Flamingo Hilton in Las Vegas);
- utilities (Public Service Electric & Gas of New Jersey);
- hospitals (Texas Medical Center of Houston, Texas);
- education (public schools of Fort Collins, Colorado);
- airlines (Cayman Airways and Pan Am);
- and banks (Maryland National Bank and Royal Bank of Canada).

In the three years since the program was begun, executives from hundreds of companies have attended and used the lessons to change how their companies do business.

At Chase Manhattan Bank, for instance, a new 800 — toll-free customer-service telephone number is a "direct result of pixie dust," said Fred Siegle, a Chase vice president.

Ben and Jerry's Homemade Inc., an ice-cream manufacturing company based in Waterbury, Vermont, is using the Disney model to renovate its training program for new employees, to change its company newsletter and to link with other details, including the design of wall signs and wastebaskets at their headquarters.

The Memorial Sloan Kettering Cancer Center in New York lengthened its new-employee training program after John Gunn, executive vice president, took the seminar.

"I've always been impressed by

## U.S. Vehicle Sales Off 11.8%

**United Press International** — The nation's auto-makers began the new model year Friday by reporting an 11.8-percent drop in sales of U.S.-made vehicles for early October from year-ago levels, largely due to a 24.3-percent decline in car sales by volume leader General Motors Corp.

Sales of domestically built cars alone during the Oct. 1-10 period fell 12.6 percent from a year ago. Light-duty truck sales, which account for about a third of all vehicle sales, declined 10.4 percent.

The annual rate for car sales — the most common measure for industry performance — was a soft 6.8 million during the period, compared with 6.7 million units last year and below the 7 million rate seen in the last 30 days.

The lower annual rate and sales volume for the first 10 days of the new model year confirmed analyst expectations that the industry is heading for a payback period after experiencing relatively strong sales induced by attractive buyer incentives.

"If they are lower than year-ago levels, it will be really bad," Mr. O'Grady said, adding that top automakers "can't tolerate these sales levels without their profitability being gone."

The eight companies — General

## Huntsman Makes Offer For Aristech Chemical

Compiled by Our Staff From Dispatches

**SALT LAKE CITY, Utah** — A group led by the industrialist John Huntsman offered Friday to acquire Aristech Chemical Corp. for \$25 a share, or about \$817.5 million.

In trading on the New York Stock Exchange on Friday, the company's shares gained \$2.50, closing at \$19.875.

Mr. Huntsman, chairman and chief executive officer of Huntsman Chemical Corp. of Salt Lake City, already controls about 7 percent of Aristech. Mr. Huntsman's offer was too low. "My belief is that the company is worth at least \$30," he said.

On June 1, Mr. Huntsman informed Aristech that he planned to acquire a substantial stake in the company. Aristech management indicated its intentions to remain an independent company, and strengthened its defenses against a hostile takeover.

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Aristech produces plastic products, including polypropylene, and industrial chemicals that include phenol and acetone. The company reported profit of \$188.2 million on \$1.1 billion in revenue in 1988.

Huntsman Chemical is the world's largest producer of polystyrene plastic. (AP, Reuters)

## JAL Blocks Apollo Ticket System

**TOKYO** — Japan Airlines Co. has asked travel agents in Japan not to issue JAL tickets through the computerized reservation and booking system owned by Covia Corp., a subsidiary of United Airlines Inc., a JAL spokesman said Friday.

United recently told travel agents in Tokyo that Covia's system, called Apollo, would be capable of issuing JAL tickets from Oct. 12, but the spokesman said JAL has not approved the move.

"It's unreasonable to sell JAL tickets without getting JAL approval," the JAL spokesman said. A recent agreement among members of the International Air Transport Association said that beginning in October, approval from an airline is necessary in issue that airline's tickets.

But the U.S. Department of Transportation did not sign the accord, saying an agreement between the booking-system operator and travel agent is enough to issue tickets.

More than 10 JAL tickets were sold in Tokyo on Thursday through Apollo, with more than one travel agent involved, a United spokesman said.

Last December, the Transportation Department, acting on a United complaint, decided to ban JAL tickets from being issued through non-JAL computerized reservation systems in the United States.

JAL has no such U.S. outlets of its own. United had complained that JAL's refusal to permit the issuance of JAL tickets in Japan by Apollo unfairly interfered with United's ability to compete in the Japanese market.

However, last January United asked the U.S. government not to ban the sales, leaving the settlement to negotiations between the two airlines.

In Japan, Covia operates about 40 Apollo terminals capable of issuing tickets of 42 international airlines, while JAL operates 450 ACESS computer reservation system terminals covering 48 international airlines.

## ADVERTISEMENT INTERNATIONAL FUNDS

October 13th, 1989

Quarterly fund returns by fund type, not asset value. Quarterly returns are available by fund type (see below) and by fund type (see below). The fund type is indicated by the first letter of the fund name: (D) = Domestic Equity; (F) = Foreign Equity; (B) = Bond; (M) = Money Market; (I) = International Equity; (L) = Life Insurance; (S) = Structured; (T) = Target Benefit; (V) = Variable Annuity; (W) = Withdrawal; (X) = Other.		Fund Name		Fund Name		Fund Name		Fund Name	
101	AMERICAN MUTUAL	102	AMERICAN MUTUAL	103	AMERICAN MUTUAL	104	AMERICAN MUTUAL	105	AMERICAN MUTUAL
106	AMERICAN MUTUAL	107	AMERICAN MUTUAL	108	AMERICAN MUTUAL	109	AMERICAN MUTUAL	110	AMERICAN MUTUAL
111	AMERICAN MUTUAL	112	AMERICAN MUTUAL	113	AMERICAN MUTUAL	114	AMERICAN MUTUAL	115	AMERICAN MUTUAL
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196	AMERICAN MUTUAL	197	AMERICAN MUTUAL	198	AMERICAN MUTUAL	199	AMERICAN MUTUAL	200	AMERICAN MUTUAL



**Friday's AMEX Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12	High	Low	Stock	Div	Yield	100s	High	Low	4 P.M. C.M.
4	10	9	ABM			100	100	100	100
5	11	10	ABT			100	100	100	100
6	12	11	ABT			100	100	100	100
7	13	12	ABT			100	100	100	100
8	14	13	ABT			100	100	100	100
9	15	14	ABT			100	100	100	100
10	16	15	ABT			100	100	100	100
11	17	16	ABT			100	100	100	100
12	18	17	ABT			100	100	100	100
13	19	18	ABT			100	100	100	100
14	20	19	ABT			100	100	100	100
15	21	20	ABT			100	100	100	100
16	22	21	ABT			100	100	100	100
17	23	22	ABT			100	100	100	100
18	24	23	ABT			100	100	100	100
19	25	24	ABT			100	100	100	100
20	26	25	ABT			100	100	100	100
21	27	26	ABT			100	100	100	100
22	28	27	ABT			100	100	100	100
23	29	28	ABT			100	100	100	100
24	30	29	ABT			100	100	100	100
25	31	30	ABT			100	100	100	100
26	32	31	ABT			100	100	100	100
27	33	32	ABT			100	100	100	100
28	34	33	ABT			100	100	100	100
29	35	34	ABT			100	100	100	100
30	36	35	ABT			100	100	100	100
31	37	36	ABT			100	100	100	100
32	38	37	ABT			100	100	100	100
33	39	38	ABT			100	100	100	100
34	40	39	ABT			100	100	100	100
35	41	40	ABT			100	100	100	100
36	42	41	ABT			100	100	100	100
37	43	42	ABT			100	100	100	100
38	44	43	ABT			100	100	100	100
39	45	44	ABT			100	100	100	100
40	46	45	ABT			100	100	100	100
41	47	46	ABT			100	100	100	100
42	48	47	ABT			100	100	100	100
43	49	48	ABT			100	100	100	100
44	50	49	ABT			100	100	100	100
45	51	50	ABT			100	100	100	100
46	52	51	ABT			100	100	100	100
47	53	52	ABT			100	100	100	100
48	54	53	ABT			100	100	100	100
49	55	54	ABT			100	100	100	100
50	56	55	ABT			100	100	100	100
51	57	56	ABT			100	100	100	100
52	58	57	ABT			100	100	100	100
53	59	58	ABT			100	100	100	100
54	60	59	ABT			100	100	100	100
55	61	60	ABT			100	100	100	100
56	62	61	ABT			100	100	100	100
57	63	62	ABT			100	100	100	100
58	64	63	ABT			100	100	100	100
59	65	64	ABT			100	100	100	100
60	66	65	ABT			100	100	100	100
61	67	66	ABT			100	100	100	100
62	68	67	ABT			100	100	100	100
63	69	68	ABT			100	100	100	100
64	70	69	ABT			100	100	100	100
65	71	70	ABT			100	100	100	100
66	72	71	ABT			100	100	100	100
67	73	72	ABT			100	100	100	100
68	74	73	ABT			100	100	100	100
69	75	74	ABT			100	100	100	100
70	76	75	ABT			100	100	100	100
71	77	76	ABT			100	100	100	100
72	78	77	ABT			100	100	100	100
73	79	78	ABT			100	100	100	100
74	80	79	ABT			100	100	100	100
75	81	80	ABT			100	100	100	100
76	82	81	ABT			100	100	100	100
77	83	82	ABT			100	100	100	100
78	84	83	ABT			100	100	100	100
79	85	84	ABT			100	100	100	100
80	86	85	ABT			100	100	100	100
81	87	86	ABT			100	100	100	100
82	88	87	ABT			100	100	100	100
83	89	88	ABT			100	100	100	100
84	90	89	ABT			100	100	100	100
85	91	90	ABT			100	100	100	100
86	92	91	ABT			100	100	100	100
87	93	92	ABT			100	100	100	100
88	94	93	ABT			100	100	100	100
89	95	94	ABT			100	100	100	100
90	96	95	ABT			100	100	100	100
91	97	96	ABT			100	100	100	100
92	98	97	ABT			100	100	100	100
93	99	98	ABT			100	100	100	100
94	100	99	ABT			100	100	100	100
95	101	100	ABT			100	100	100	100
96	102	101	ABT			100	100	100	100
97	103	102	ABT			100	100	100	100
98	104	103	ABT			100	100	100	100
99	105	104	ABT			100	100	100	100
100	106	105	ABT			100	100	100	100

**Friday's NASDAQ Prices**

Prices as of 4 P.M. New York Time.

This table is an AD-100 composite of the 1,000 most traded securities in terms of dollar value.

It is updated twice a year.

Via The Associated Press

F-G									
1	2	3	4	5	6	7	8	9	10
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50	2.20	1.30	1.50	1.50	1.50	1.50	1.50	1.50
FFP	1.50								



# U.S. Wholesale Prices Surge

WASHINGTON — U.S. wholesale prices surged in September, boosting fears of inflation, while retail sales showed surprising strength, making it unlikely the Federal Reserve Board will take quick or dramatic action to lower interest rates.

After declining for three straight months, wholesale prices turned up sharply in September with a 0.9 percent increase, the Labor Department said.

The sharp rise in the Producer Price Index following 0.4 percent declines in August and July and a 0.1 percent drop in June was mainly due to higher prices for gasoline and cars.

At the same time, retail sales rose a healthy 0.5 percent, the third consecutive monthly increase, the Commerce Department said in a separate report.

The two reports reduced chances the Federal Reserve Board would push interest rates lower to boost economic activity at the risk of higher inflation.

The central bank has been under pressure to ease its grip on the money supply and let rates drift lower to maintain the momentum in the recent U.S. economic expansion, now approaching its eighth year.

The administration of President George Bush has said it would like to see interest rates fall. A banish unemployment report for September showed a sharp drop in factory jobs, increasing pressure on the Fed to ease its grip on credit.

Since the start of the year, wholesale prices have risen at an annual rate of 5.1 percent. A rise in the index usually signals that consumers will soon be paying higher prices.

Contributing to the big September jump was a statistical glitch in the measurement of auto prices,

## U.S. Business Council Sees Economy Slowdown in '90

HOT SPRINGS, Virginia — The nation's top business leaders on Friday forecast a significant U.S. economic slowdown for 1990 and warned that an outright recession was possible unless the Federal Reserve Board cut interest rates.

The Business Council, composed of 100 chief executives of the largest U.S. corporations, predicted that the economy would grow in 1990 at the most sluggish rate since the end of the 1981-82 recession.

But the expected slowdown would turn out to be the "pause that refreshes" and growth would rebound in 1991, giving the country an unprecedented nine consecutive years without a recession, the business leaders said.

This optimistic outlook came with a major caveat: that the Federal Reserve must cooperate by moving soon to lower interest rates to spur economic activity.

"There are a variety of potential weaknesses in the economy that carry the risk of a recession," said Lewis T. Preston, chairman of J.P. Morgan & Co., the New York bank. "If I were the Fed, I would be inclined to lean in the direction of an easier policy. My sense is that we will need a fair amount of insurance against trouble."

The call by the business leaders for the Fed to relax its inflation campaign and start nudging interest rates lower echoed comments being made by the Bush administration, which is worried that a sluggish economy next year could harm Republican chances in the 1990 congressional races.

James D. Robinson Jr., chairman of American Express Co., said the Fed had done a good job in keeping a lid on inflationary pressures, "but now is the time to bring interest rates down." The Federal Reserve chairman, Alan Greenspan, has so far given no indication that the central bank is willing to push rates lower.

The Fed and the administration are locked in a dispute over the administration's call for lower interest rates to help push the dollar lower and bolster U.S. exports.

The corporate economists who prepared the forecast report said they believed that the nation entered a slowdown in the summer that was expected to last 15 months, until the final three months of 1990, when growth would rebound to more satisfactory rates.

which were skewed because manufacturers offered their end-of-the-model-year price incentives earlier in the summer than usual.

When month-to-month increases were adjusted for normal seasonal variations, auto prices rose 3.8 percent in September. When seasonal

adjustments are factored out, auto prices actually declined 0.5 percent.

Dirk van Dongen, president of the National Association of Wholesaler-Distributors, said he expects wholesalers will pass along some of the increases charged by producers.

chemicals operation of GAF Corp. of the United States, and by Bull for Zenith activities have also raised skepticism due to the high prices involved.

But Mr. Fauroux is concerned that state companies do not saddle themselves with excessive debt, the official said. After extensive internal restructuring in recent years, most state firms have relatively poor debt-to-equity ratios.

"The American norm on debt-equity is less than 50 percent," the ministry official said. "In France, state companies are often over 100 percent. The only one with a balance sheet comparable to the Americans is Elf."

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## DOLLAR: Falling Sharply

(Continued from first finance page)

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The mark closed in Paris at 390.20 kroner per 100, above the 390.10 ceiling, despite earlier Danish central bank sales. The mark was firm across the board, dealers said.

Most Danish banks are telling clients a realignment of the crown is unlikely in the near term. They noted a statement by the Danish National Bank on Wednesday suggesting an EMS realignment is unnecessary and would be undesirable.

Nevertheless Danish companies are reported to be covering their exposures on mark-denominated loans thereby depressing the Danish currency.

"Our view is we won't see a realignment. The National Bank will have to raise rates again," added Lars Fisker, a corporate dealer at

## London Dollar Rates

(Continued from first finance page)

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## Taiwan Bank Suspends Payments

TAIPEI — The second largest unlicensed bank in Taiwan has suspended all interest payments, angering thousands of people who had invested their life savings.

Small groups of stunned investors wandered through deserted corridors in the headquarters of the Fortune Group on Friday, searching in vain for company officials.

Instead they read notices posted on doors saying all interest payments had been suspended for three months as of Thursday.

Fortune had been paying 4 percent a month, even after a new banking law passed in July forced it and more than a 100 other investment houses to stop accepting deposits.

One of the few secretaries on duty said all officials were in a meeting and could not be reached.

"I just want to get my September interest and then I can wait," a middle-aged woman said. "I'll sit

here until somebody gets back and can tell me what is happening."

Prime Minister Lee Huan on Wednesday said the government was determined to put an end to the unlicensed banks.

"The government will not sit by and watch public security deteriorate," he said. "Instead it will immediately launch a large-scale mop-up operation."

He told reporters that 174 unlicensed companies had attracted 170 billion Taiwan dollars (\$6.67 billion) in deposits from 1.2 million people.

He said the government had already moved against 120 companies. But the largest companies, including Fortune and the largest investment house, the \$3.6 billion Hung Yuan group, have so far escaped action.

The fate of the investment houses could become an issue in December parliamentary elections.

Their business interests extend to every level of society.

"Lee says there is the will, but there will not be a way to take action until after the elections are over," said Thomas Huang, director of the R.O.C. Banking Institute.

"If the illegal investment houses have to sell off their holdings of property and stocks, it could cause a severe crash."

Hung Yuan this month lifted a three-month ban on cash withdrawals. But through a determined publicity campaign, it persuaded 98.68 percent of investors not to withdraw money for at least a year, according to company officials.

Fortune, which also suspended withdrawals after the new banking law was passed, has announced a plan under which some investors could buy company-built housing with their deposits. It will hold a drawing in about a week so that its more than 100,000 depositors can compete for the first 2,000 houses.

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## Weak Profits Hit U.S. Bank Stocks

NEW YORK — Stocks of the large U.S. banks fell Friday in response to poor operating earnings reported by the institutions in the last couple of days and in anticipation of more weak earnings to come, analysts said.

As prices fell sharply on the New York Stock Exchange Friday, Bankers Trust stock fell \$6.12 to \$50.50, while Chemical Bank shares dropped \$1.875 to \$37.625. Chase Manhattan eased \$4 to \$35.5, Bank of New York lost \$3 to \$46.5, and Manufacturers Hanover fell by \$3.5 to \$40.25.

Bank stocks usually move together, analysts noted.

"The theme had been banks deserved higher multiples," said Stephen Berman, analyst at the County NatWest/USA brokerage, because their loans to developing countries "were less of a problem" after several banks said they would lift loan-loss reserves.

But when banks began reporting poor operating earnings, the market "lost confidence in the banks' earnings outlook," Mr. Berman said.

Stocks of money-center banks "had a sharp rise, then some profit taking, and now they are falling because the economic scenario looks bleak," said another analyst.

Excluding reserve boosts and losses, "Chase Manhattan had a mediocre quarter at best, Chemical Banking had a very disappointing quarter with squeezed margins, and First Chicago Corp. also had a very poor quarter with margin pressure and rising credit quality problems," he said.

Excluding reserve boosts and losses, Bank of New York Co. had a good quarter, analysts said, and Manufacturers Hanover Corp. is expected to have a fourth quarter despite margin pressure.

Also depressing bank stocks are fears that other banks, as part of reserve increases, will issue more stock, flooding a market now faced with issuances from Chase, Manufacturers and Chemical.

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## Floating-Rate Notes

(Continued from first finance page)

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The mark closed in Paris at 390.20 kroner per 100, above the 390.10 ceiling, despite earlier Danish central bank sales. The mark was firm across the board, dealers said.

Most Danish banks are telling clients a realignment of the crown is unlikely in the near term. They noted a statement by the Danish National Bank on Wednesday suggesting an EMS realignment is unnecessary and would be undesirable.

Nevertheless Danish companies are reported to be covering their exposures on mark-denominated loans thereby depressing the Danish currency.

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(Continued from first finance page)

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## SPORTS

## How the A's and Giants Line Up

By Murray Chass

New York Times Service

The last time two gangs from the same neighborhood tangled in the World Series, Roger Craig was pitching for one of them.

Now the manager of the San Francisco Giants, Craig was overshadowed in the 1956 Series by his teammates in the Brooklyn Dodgers' lineup and his opponents in the Yankees' lineup.

Nine of the players in that World Series are in the Hall of Fame—fellow named Robinson, Reese, Campanella, Snider, Drysdale, Berra, Ford, Mantle, Slaughter.

The lineups of the teams in this year's World Series are punctuated with some pretty good names, too, and some of them will undoubtedly join those New Yorkers in the Hall of Fame.

For now, though, the Giants and the Oakland Athletics will settle for the task at hand: trying to become baseball's 1989 champions of the Bay Area, perhaps a more important distinction for a couple of gangs from the same neighborhood.

Will anyone dominate this Series the way Rickey Henderson and Will Clark controlled the league championship series? Will the Athletics' pitching, best in the American League, slow Clark and Kevin Mitchell, the most prodigious hitting tandem in the National League?

Will the Giants' pitching, shakier than the old master Craig

would prefer, snuff out the threat Henderson poses every time he holds a bat at the plate or plants his feet next to a base?

Here is a look at the probable batting orders for Craig's Giants and Tony La Russa's Athletics.

## A's Textbook Lineup

1. Rickey Henderson, left field. If he duplicates playoff performance, he could steal the Golden Gate Bridge from San Francisco and break Tony Bennett's heart. His .636 on-base percentage, 8 stolen bases and 2 home runs gave him one of the all-time great post-season series. He reached base in 80 of 85 games and successfully stole 52 times in 58 attempts during the regular season. Presence on base distracts and disturbs pitchers.

2. Carney Lansford, third base. Lansford will take pitches to give Henderson time in steal, and it doesn't hurt his average (.336, club record, second in league). He thrived after moving from second spot July 7, hitting .362. He had 37 stolen bases (sixth in league) and creates double-steal possibilities with Henderson.

3. Jose Canseco, right field. This is the Athletics' dream situation: Henderson and Lansford get on and Canseco comes to bat. He can be awesome if migraines don't bother him or he's not busy taping messages for his 900 telephone service. Out first half of season with fractured hand, he played in only 65 games but hit 17 home runs and drove in 57 runs with only 61 hits. One key statistic: He batted .211 when no one was on base but .322 with runners on.

4. Dave Parker, designated hitter. Wields another of Oakland's bruising bats, but the only left-handed one among the big hitters. Led the A's in runs batted in (97). A's will miss him when they can't use a designated hitter at Candlestick; in those games, he'll be pinch-hitter in critical late-game situations, if necessary, but he was 0 for 7 pinch-hitting during the season.

5. Dave Henderson, center field. Pitchers have apparently figured out better ways to pitch him because he's struck out a career-high 131 times. Still a threat in drive to important runs and is part of the Athletics' buginess that intimidates some pitchers.

6. Mark McGwire, first base. His presence here indicates strength and depth of Oakland's hitting: how many teams could afford to have a player who hit 33 home runs batting sixth? His .231 season average shows he can be pitched to, but pitchers can't afford to miss even slightly. Joined Canseco as only players in major leagues ever to hit 30 or more home runs in each of three seasons.

7. Terry Steinbach, catcher. Drop-out in hitting in latter third of lineup is not as severe as in Giants' lineup. Second All-Star catcher will drive in some runs and batted .273.

8. Tony Phillips, second base. Serves in the bottom part of the order as Rickey does at the top: gets on base (.345 on-base percentage but just .262 batting average).

9. Mike Gallego, shortstop. More of an offensive threat than his Giants counterpart. His .252 average was career best. Became shortstop when Walt Weiss suffered knee injury May 17 and didn't relinquish job.

## Giants' Powerhouse

1. Brett Butler, center field. Butler, a left-handed hitter, gets on base by bunting for hits (23 times during the season) or deftly slapping the ball to left for singles. He has a .349 on-base percentage. Although he is the team's No. 1 base stealer, he was thrown out once every three tries.

2. Robby Thompson, second base. If Craig wants to play for one run, Thompson will sacrifice Butler to second. There's another way Thompson can move the runner over: he was hit by pitches a league-leading 13 times. Thompson can

also drive in runners because he has home-run power (13 during the season, 2 in the playoffs, including a game-winning) and led league with 11 triples. One shortcoming: probably strikes out too often (133 times, led team).

3. Will Clark, first base. He's the man Craig wants up with a winning run on base (see last game of playoffs). His .396 batting average with runners in scoring position was 165 points better than Giants' next best. He was in top 4 in National League in 11 offensive categories, meaning he can produce in all sorts of ways. Says he benefits from batting in front of Kevin Mitchell, but pitchers know he would be tough with Little Orphan Annie hitting behind him.

4. Kevin Mitchell, left field. It's small consolation if opposing pitchers get by Clark. Mitchell led majors in home runs (47), RBIs (123), slugging percentage (.635), total bases (345) and extra-base hits (87). Often, the best a pitcher can hope for is to have first base open so he can walk Mitchell intentionally (32 such walks this season set major league record for right-handed hitters).

5. Matt Williams, third base. Al-

though he hit only .202, he had a remarkable ratio of RBIs (50) and home runs (18) to hits (59). He's capable of joining Clark and Mitchell in a home-run binge or of winning game with one (as in playoffs).

6. Ernest Riles, designated hitter. He has two reasons to be thankful: The Athletics have four scheduled home games, which means he could be the DH four times, and the A's have right-handed starters. He can't hit left-handers (.179) but did well against righties (.293 and 1 RBI every 7 times at bat).

7. Terry Kennedy, catcher. This is where the offense starts to drop off. Kennedy is a better hitter with runners in scoring position (.286) than at other times (.237).

8. Pat Sheridan, right field. In there by default. He's a left-handed hitter. His .205 average wasn't what Giants had in mind when they acquired him from Detroit on June 16.

9. Jose Uribe, shortstop. Uribe had the worst offensive season in his four years in the majors (.221, 30 RBIs). He abandoned switch-hitting in spring training and batted only right-handed until April 25, when resumed switch-hitting.

## VANTAGE POINT/Thomas Boswell

## Forearmed, Forewarned: A's in 6, If...

Washington Post Service

WITH baseball, especially in the World Series, you never know. Except sometimes. This sure feels like a sometimes.

For the past four Octobers, baseball has lived in a marvelous no-man's-land. Not only did amazing underdogs become world champions, or miss by a strike, but they did it in ways no one imagined.

After watching the 1985 Kansas City Royals survive a three-games-to-one deficit against a 101-victory St. Louis team, after watching the '88 Dodgers blitz a 104-victory Oakland team in just five games, who would be stupid enough to say

last year. All season they have talked, and acted, like a team that was strengthened by that fire.

The A's also fit the psychological profile of a majority of the Series winners in the '80s: Fail until you're furious, then take it out on somebody. The addition of Rickey Henderson and Mike Moore with out losing any central player further feeds the A's sense of destiny.

Now, let's do something really hard. Tougher than throwing out Henderson. Rougher than striking out Will Clark. Let's make a case for the Giants. Then, let's see if we can still keep a straight face.

The Giants have more power than the A's and, in general, a better offense. The Giants hit 141 home runs this year to Oakland's 127. The Giants scored almost as many runs as the A's (712-699) despite having no designated hitter and playing in a league dominated by pitching. In the same league with the same rules, the Giants would have the better offense.

When the A's play in Candlestick Park with shortstop Mike Gallego, second baseman Tony Phillips and a pitcher in the batting order—but no Parker—how scary will they be? What if third baseman Carney Lansford reinjures his hamstring? Wouldn't that be a vulnerable lineup? The Giants are accustomed to facing speed. It doesn't bother them.

If the Giants can cope with an entire speed-turf league, why would one base stealer ungle them? Behind Henderson, Lansford was the second-best A's thief with 37, but he was also nailed 15 times. Nobody else exceeded 12; Jose Canseco stole only six bases.

Besides, Henderson can't play as well as he did in the playoffs. Nobody could. When he cools and feels his magic moment slip, will he slump at the plate too? The only trusted A's left-hander, Rick Honeycutt, had a .324 ERA in the playoffs and pitched worse. Who confronts Will Clark in game situations?

Henderson, Stewart and relief ace Dennis Eckersley were the Athletics' psychological linchpins in this season when Canseco was hurt and Mark McGwire batted .231.

But each survived 10 hard-hit out Sunday, prompting the Blue Jays to call him lucky. If these stars start failing, as Eckersley, Canseco and McGwire failed last fall, the A's could get the shakes again. The



A's Canseco batted .211 with no one on base, .322 with runners.

Giants are great in Candlestick (.56-28) because everybody else hates it. Could this even up the brutal pitching matchups that await the Giants in games 3 and 4? Could the Giants' one-legged batters—Don Robinson and Mike LaCoss—survive with the crowd's help? And could Welch and Davis, who have been rattled in the past, lose their command before 62,000 screaming, mostly hostile witnesses?

If the wind blows, remember that the A's are far from error-free, with 127, and that both Dave Henderson and Canseco endure the occasional silly outfield moment. The Giants' Garretts, with a 2.28 ERA, and Renschel, with 2.94, are due to pitch as they did all year, not as they did in the NL playoffs against the Cubs.

The Giants are the softest-throwing staff in the National League, with the least strikeouts, but they walk very few. That should help because the A's, especially Rickey Henderson, depend heavily on walks to compensate for a mediocre team batting average of .261.

So, are you convinced yet? Many studious batters, like Clark, cool off radically when they go from the playoffs, where they face old foes, to the Series, where they see pitchers for the first time. The Giants' one-dimensional offense can't manufacture runs, and their defense isn't special. They have no profound motivation, unless the A's kick them off. The Giants' pitching staff has been a MASH unit all season. And it still is. Is Garretts too green a starter, Renschel too old, Robinson too gimp, LaCoss too hurt?

This World Series will probably prove to be painfully simple and inexcusable. Right now, the A's send four exclamation points to the mound. The Giants send out four question marks. A's win. Period.



Giants' Clark: Will he cool off facing new pitchers in the Series?

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Giants' Mitchell joking with Chris Speier in first workout he made.

## Mitchell Says No-Show Overblown

The Associated Press

SAN FRANCISCO — Kevin Mitchell showed up at the Giants' second World Series workout and admitted that he deserved a fine for missing Wednesday's practice. He also said the matter was overblown.

Mitchell said he planned to apologize to his teammates for the "misunderstanding."

"I was wrong — I missed practice," Mitchell said. "It's no big deal. I've got to pay a fine, and the case is closed."

The Giants' left fielder, who led the major leagues with 47 home runs, was discouraged by the publicity his absence created.

"It's too big of a deal — this, all this," he said Thursday, gesturing to the crowd of about 100 reporters and photographers surrounding him at a press conference inside Candlestick Park. Mitchell offered no excuse for his absence except to say that he had not found out about the practice until 1:45 P.M. Wednesday at home in San Diego, 15 minutes before the workout started.

That conflicted with what hitting coach Dusty Baker had told reporters Wednesday. Baker said he had told Mitchell about the workout Tuesday night.

But the Giants' management said the issue was settled Saturday. Their general manager, Al Rosen, and Craig met with Mitchell Wednesday morning to inform him of the fine.

"He's like a little kid who got caught in a cookie jar," said Craig, who was visibly angry about the incident a day earlier. "He's being punished, and it's over with."

"The first thing I said when he walked in was, 'How's my favorite son?' He shook my hand. He was hurt. He felt bad about it."

One reason Craig was upset was that Mitchell had not sought permission to go home on his day off after the Giants had won the National League pennant on Monday.

Mitchell said he had not asked because he had decided only at the last minute to drive to San Diego with his grandparents.

Craig speculated that the affair might even provide extra motivation for the slugger at the plate.

"He's a proud person, and I think he'll make amends for it," Craig said.

Craig said he was not sure if Mitchell would be in the lineup for the first game of the Series, but he was confident he would be in the lineup for the second game.

Craig said he was not sure if Mitchell would be in the lineup for the third game, but he was confident he would be in the lineup for the fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the fifth game, but he was confident he would be in the lineup for the sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the seventh game, but he was confident he would be in the lineup for the eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the ninth game, but he was confident he would be in the lineup for the tenth game.

Craig said he was not sure if Mitchell would be in the lineup for the eleventh game, but he was confident he would be in the lineup for the twelfth game.

Craig said he was not sure if Mitchell would be in the lineup for the thirteenth game, but he was confident he would be in the lineup for the fourteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the fifteenth game, but he was confident he would be in the lineup for the sixteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the seventeenth game, but he was confident he would be in the lineup for the eighteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the nineteenth game, but he was confident he would be in the lineup for the twentieth game.

Craig said he was not sure if Mitchell would be in the lineup for the twenty-first game, but he was confident he would be in the lineup for the twenty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the twenty-third game, but he was confident he would be in the lineup for the twenty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the twenty-fifth game, but he was confident he would be in the lineup for the twenty-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the twenty-seventh game, but he was confident he would be in the lineup for the twenty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the twenty-ninth game, but he was confident he would be in the lineup for the thirtieth game.

Craig said he was not sure if Mitchell would be in the lineup for the thirty-first game, but he was confident he would be in the lineup for the thirty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the thirty-third game, but he was confident he would be in the lineup for the thirty-fourth game.

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Craig said he was not sure if Mitchell would be in the lineup for the thirty-seventh game, but he was confident he would be in the lineup for the thirty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the thirty-ninth game, but he was confident he would be in the lineup for the fortieth game.

Craig said he was not sure if Mitchell would be in the lineup for the forty-first game, but he was confident he would be in the lineup for the forty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the forty-third game, but he was confident he would be in the lineup for the forty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the forty-fifth game, but he was confident he would be in the lineup for the forty-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the forty-seventh game, but he was confident he would be in the lineup for the forty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the forty-ninth game, but he was confident he would be in the lineup for the fiftieth game.

Craig said he was not sure if Mitchell would be in the lineup for the fifty-first game, but he was confident he would be in the lineup for the fifty-second game.

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Craig said he was not sure if Mitchell would be in the lineup for the fifty-seventh game, but he was confident he would be in the lineup for the fifty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the fifty-ninth game, but he was confident he would be in the lineup for the sixtieth game.

Craig said he was not sure if Mitchell would be in the lineup for the sixty-first game, but he was confident he would be in the lineup for the sixty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the sixty-third game, but he was confident he would be in the lineup for the sixty-fourth game.

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Craig said he was not sure if Mitchell would be in the lineup for the seventy-first game, but he was confident he would be in the lineup for the seventy-second game.

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Craig said he was not sure if Mitchell would be in the lineup for the seventy-fifth game, but he was confident he would be in the lineup for the seventy-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the seventy-seventh game, but he was confident he would be in the lineup for the seventy-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the seventy-ninth game, but he was confident he would be in the lineup for the eightieth game.

Craig said he was not sure if Mitchell would be in the lineup for the eighty-first game, but he was confident he would be in the lineup for the eighty-second game.

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Craig said he was not sure if Mitchell would be in the lineup for the eighty-ninth game, but he was confident he would be in the lineup for the ninetieth game.

Craig said he was not sure if Mitchell would be in the lineup for the ninety-first game, but he was confident he would be in the lineup for the ninety-second game.

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Craig said he was not sure if Mitchell would be in the lineup for the one hundred and first game, but he was confident he would be in the lineup for the one hundred and second game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and third game, but he was confident he would be in the lineup for the one hundred and fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and fifth game, but he was confident he would be in the lineup for the one hundred and sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and seventh game, but he was confident he would be in the lineup for the one hundred and eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and ninth game, but he was confident he would be in the lineup for the one hundred and tenth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and eleventh game, but he was confident he would be in the lineup for the one hundred and twelfth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirteenth game, but he was confident he would be in the lineup for the one hundred and fourteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and fifteenth game, but he was confident he would be in the lineup for the one hundred and sixteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and seventeenth game, but he was confident he would be in the lineup for the one hundred and eighteenth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and nineteenth game, but he was confident he would be in the lineup for the one hundred and twentieth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and twenty-first game, but he was confident he would be in the lineup for the one hundred and twenty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and twenty-third game, but he was confident he would be in the lineup for the one hundred and twenty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and twenty-fifth game, but he was confident he would be in the lineup for the one hundred and twenty-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and twenty-seventh game, but he was confident he would be in the lineup for the one hundred and twenty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and twenty-ninth game, but he was confident he would be in the lineup for the one hundred and thirtieth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirty-first game, but he was confident he would be in the lineup for the one hundred and thirty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirty-third game, but he was confident he would be in the lineup for the one hundred and thirty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirty-fifth game, but he was confident he would be in the lineup for the one hundred and thirty-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirty-seventh game, but he was confident he would be in the lineup for the one hundred and thirty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and thirty-ninth game, but he was confident he would be in the lineup for the one hundred and fortieth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and forty-first game, but he was confident he would be in the lineup for the one hundred and forty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and forty-third game, but he was confident he would be in the lineup for the one hundred and forty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and forty-fifth game, but he was confident he would be in the lineup for the one hundred and forty-sixth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and forty-seventh game, but he was confident he would be in the lineup for the one hundred and forty-eighth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and forty-ninth game, but he was confident he would be in the lineup for the one hundred and fiftieth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and fifty-first game, but he was confident he would be in the lineup for the one hundred and fifty-second game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and fifty-third game, but he was confident he would be in the lineup for the one hundred and fifty-fourth game.

Craig said he was not sure if Mitchell would be in the lineup for the one hundred and fifty-fifth game, but he was confident he would be in the lineup for the one hundred and fifty-sixth game.



